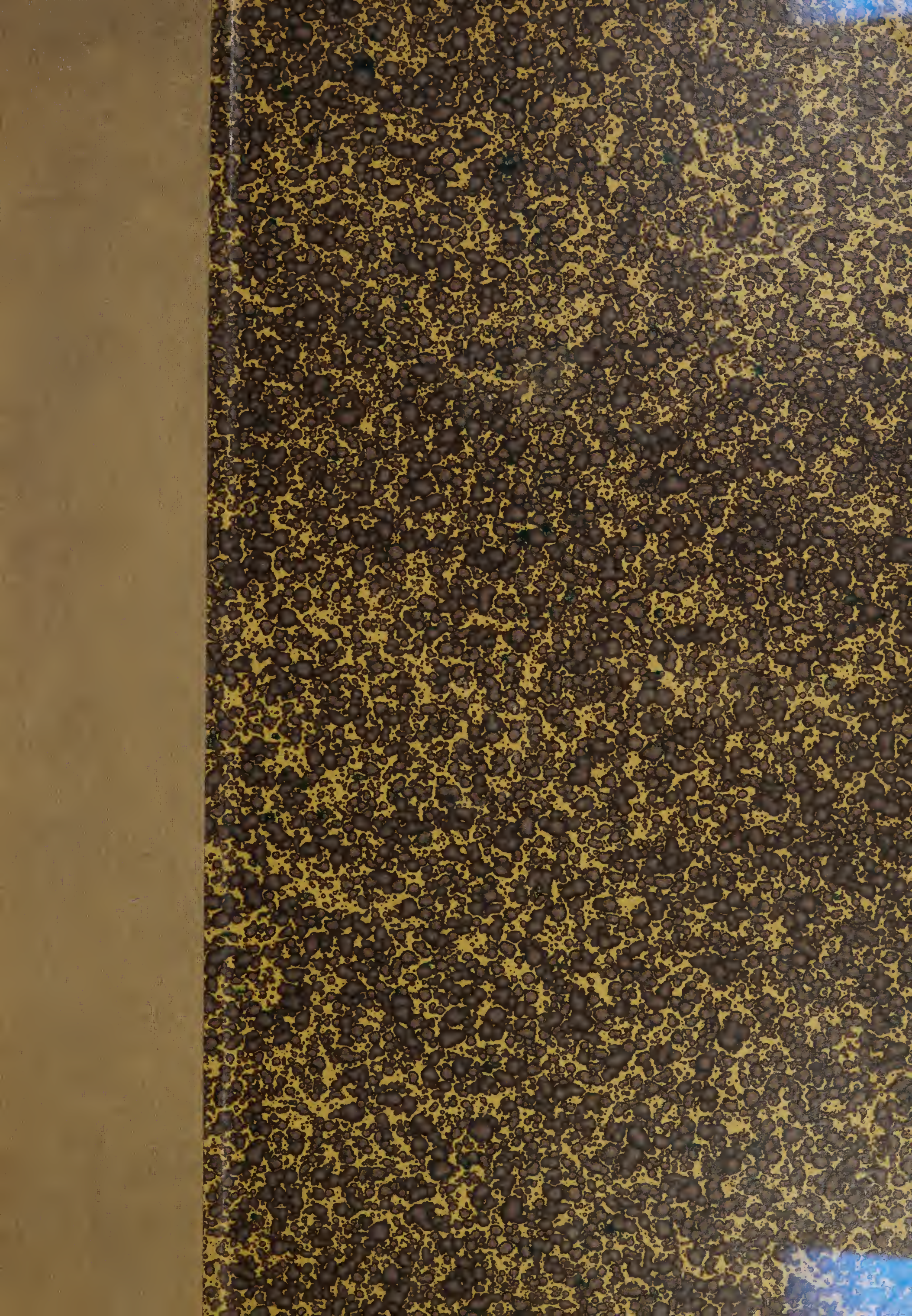




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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JANUARY 7, 1911

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Bank Opening

On Tuesday morning Graham & Sons Bank on West Madison Street moved into its handsome, new, granite front bank building. It was opening day and thousands of people poured in to inspect the new premises and to offer their congratulations to Andrew J. Graham. Most of the visitors referred to him as "our next mayor," to which the popular candidate modestly demurred.

Graham's Bank was started in 1857 and for the past year has been adding more than six hundred new accounts, many of them savings accounts, per month. At the present time the bank is doing a quarter million dollar business daily. In preparing plans for the new building the architects, Jenney & Mundie, were not held down by any restrictions of cost in figuring the designs. The front of the building is made entirely of polished granite with solid bronze, medallioned doors faced at either side by elaborate bronze pillars topped by ornate lanterns. The entire counter and inside finish are of various colored marbles backed up underneath by solid masonry and finished up above with bronze railings and wicket gates. The ventilating system is of the most modern design. The bank had been open but half an hour when the contractor who installed the system walked up to the counter and congratulated Mr. Graham. He also handed him a receipted bill covering the entire work done by the ventilation firm and would accept no remuneration whatever. He privately told those who were standing about him that not less than three times Mr. Graham had saved his business for him and that he had put in a system which he thought would cause the banker to live ten years longer than he otherwise would, which would be ample recompense to him. The lighting system of the new banking room is as efficient as possible. The savings departments will keep open until nine o'clock evenings and good light is required. The entire vaulted ceiling might be called an ornamented sky light softened somewhat by the beautiful colors of the glasses used. In the matter of vaults, workrooms, lavatories, and other accessories to a first-class banking room nothing further could be said than that they are in keeping with all of the other appointments of the institution. The former banking room is just one door west of the new room and all that was necessary was to move through a big archway into the new building. The three thousand safety boxes which occupied the rear of the old banking room will be increased to nine thousand boxes and a new granite front in harmony with the one just finished will be erected. This will in point of equipment put the Graham Bank on a par with anything of its kind in this or in any other city.

There were not less than one hundred splendid bouquets sent in for the occasion by friends and patrons of the institution. George M. Reynolds of the Continental & Commercial sent an enormous armful of American beauties which had the place of honor at the side of Mr. Graham's chair. W. F. Merle, an old time friend of Mr. Graham, sent an immense Irish harp, much taller than a man, bearing a card which said, "Luck to the Irish," and then told in autographic detail how he and Mr. Graham had started out together as boys at fourteen, working in a very old-



This cut shows President Andrew J. Graham leaving his new bank building which opened on Tuesday. His campaign for the mayoralty isn't giving him much anxiety.

fashioned establishment where second-hand furniture was polished up and sold. Both have been quite successful in life and neither has ever forgotten their early trials and hardships.

Near the front door of the new bank building, in a veritable nook surrounded by flowers, Mrs. Graham was established. A number of ladies were assisting her in welcoming such callers as were family friends and acquaintances. The various departments of the bank either now or soon will be headed by a Graham Junior, several of whom are not less than half a head taller than their distinguished father. Mr. Graham claims that he is not going to work any more, but few there be who know his disposition that are willing to accept this statement at par.



This is a view from the front door looking toward the rear. The second floor rear is used for storage and locker rooms, and the second floor front contains Mr. Graham's private office. It's a beauty.

Tuesday was the first of recent days that Mr. Graham has not visited his headquarters at the Hotel La Salle where his friends are booming his interests for the mayoralty. It was estimated by one visitor at the hotel yesterday that not less than fourteen hundred persons were present. Twenty-eight wards have endorsed Mr. Graham as their choice for the democratic candidacy and there is a probability that others will be added to the list. His friends can see nothing but a certainty of his nomination and election and point to the significant fact that up to date no republican has shown any intense desire to run against him.

Graham & Sons were established in 1889. Frank J. Graham and Ralph R. Graham are now associated with their father in the institution.

Banker Tells of Conditions

President M. F. Dunlap of Ayers National, Jacksonville, Ill., was a caller at National City, Wednesday. Mr. Dunlap has extensive interests in a noted corn region and keeps in touch with the business situation. He says that while farmers are in good shape many of them are still holding their grain in hope of getting higher prices. This leaves something of a burden still on interior banks. Liquidation is expected, however, by spring.

Money Easier

A stagnant money market this week has served to depress rates to inside quotations. The majority of loans are at 5 per cent, but secured commercial paper has been selling around 4½. This market is not following New York in any sense. Call loans advanced to 6 per cent in the East, Wednesday. Here the rate was 4 to 4½. Bonds have been fairly active and it is possible to market gilt-edge securities on a 4 per cent basis.

Bankers agree that there is no reason beyond holiday inertia for the present depression and they expect the situation to change in a few days. Funds are accumulating in the city on all accounts and merchants and builders have not developed their program for the year sufficiently to make an active market.

Bank Owner Talks Hopefully

L. B. Hill, president of People's National, Hillsboro, Ill., and owner of two or three other banks, was a visitor at LaSalle Street National, Wednesday. He talked hopefully of business and farming conditions and said farmers of his locality had shown the good sense to diversify their products more than is usual. As a result of this they are living close to a cash basis and general business in the community is satisfactory.

Fred I. Kent Visits in Chicago

Fred I. Kent, former manager of the foreign exchange department of First National, called on John J. Arnold and others among his Chicago friends the fore part of this week. Mr. Kent and family have been spending the holidays with relatives here.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$9,500,000

Officers

GEORGE M. REYNOLDS - - - - President
RALPH VAN VECHTEN - - - - Vice-President
ALEX. ROBERTSON - - - - Vice-President
HERMAN WALDECK - - - - Vice-President
JOHN C. CRAFT - - - - Vice-President
JAMES R. CHAPMAN - - - - Vice-President
WM. T. BRUCKNER - - - - Vice-President
WM. G. SCHROEDER - - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - - Cashier
FRANK H. ELMORE - - - - Assistant Cashier
HARVEY C. VERNON - - - - Assistant Cashier
GEO. B. SMITH - - - - Assistant Cashier
WILBER HATTERY - - - - Assistant Cashier
H. ERSKINE SMITH - - - - Assistant Cashier
JOHN R. WASHBURN - - - - Assistant Cashier
RALPH C. WILSON - - - - Assistant Cashier
WILSON W. LAMPERT - - - - Assistant Cashier
DAN NORMAN - - - - Assistant Cashier
FRANK L. SHEPARD - - - - Auditor
H. LAWTON - - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

Corner Monroe and Clark Streets

E. A. POTTER, Chairman of the Board
W. IRVING OSBORNE, President

OFFICERS
JOHN JAY ABBOTT, Vice-President
CHARLES C. WILLSON, Cashier

FRANK H. JONES, Secretary
WM. P. KOPF, Assistant Secretary

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

181 LaSalle Street

CHICAGO

NEW YORK

CHICAGO

PHILADELPHIA

BOSTON

Bayne, Ring & Company

Commercial Paper

Bankers

H. W. LADEWIG, Chicago Manager

228 La Salle Street

Chicago, Illinois

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital, - \$1,250,000
Deposits, \$10,000,000

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

OFFICERS

JOSEPH E. OTIS, President
WALTER H. WILSON, Vice-President
LAWRENCE NELSON, Vice-President
HARRY MOORE, Cashier
ADDISON CORNEAU, Asst. Cashier
LLOYD R. STEERE, Asst. Secretary
J. J. RAHLF, Mgr. Foreign Exchange Dept.
W. C. COOK, Vice-President
W. G. WALLING, Secretary
A. E. COEN, Asst. Cashier
LOUIS H. SCHROEDER, Mgr. Bond Dept.

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

WM. A. TILDEN, Vice-President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
M. F. RITTENHOUSE
L. B. PATTERSON
WM. A. TILDEN
R. T. FORBES



Mainly About Banks and Bankers

RUSH C. BUTLER, the well-known attorney, will head a new law firm which will devote considerable attention to interstate commerce practice. The new law firm has offices at 1414 Monadnock Block, Chicago, and the members are Rush C. Butler, William E. Lamb, Stephen A. Foster, Earnest O. Best, and Cornelius Lynde.

THE firm name will continue as Cassoday, Butler, Lynde & Foster. Although Mr. Cassoday died during last year, his name will be used professionally.

KING, FARNUM & COMPANY has taken offices heretofore used by John H. Wrenn & Company in the Rookery Building. The new firm will retain the entire office force and will conduct the same kind of business with the same courtesy and attention which distinguished the Wrenn firm.

JOHAN H. WRENN has made an enormous fortune and retires. For years he has stood a model for men in his line of business. His reputation for honesty and fidelity to clients has never been surpassed; his standing in the Chicago banks has never been questioned; his career has been an honorable one.

CH. H. HUTTIG of St. Louis sent out New Year's compliments on a beautifully engraved card. The simple inscription was: "I extend cordial greetings and hope the year 1911 will be filled with health, happiness and prosperity for you."

"FARWELL TRUST COMPANY extends to you its best wishes for a happy and prosperous New Year." This was the simple little reminder sent out under the direction of Albert G. Lester who looks out after details at this prosperous bank.

AMONG the handsomest of the New Year's cards which came to this desk is one sent out by the First National of Greenville, Mississippi. The past year has been a most successful one for this carefully managed institution and all its friends will wish it to continue in prosperity and in happiness.

FARWELL TRUST COMPANY has paid George M. Reynolds, president of the Continental and Commercial National the highest possible compliment. It has had a neat folder engraved, containing two extracts from the now famous interview with Mr. Reynolds. The following two paragraphs are the ones used: "Public sentiment is one of the most potent factors in all human endeavor; it exerts the same influence whether it is right or wrong; and since public sentiment is largely created through discussion of the various topics of the day, in a conversational way, by those who occupy high places in business, I am a believer in the theory of conservatism in public utterance, as also I am a believer in conservatism in business."

"IT IS my belief that most of the things that occur in life which cause us worry and anxiety come as the result of anticipation of things which really never come to pass, and it has been my observation that on many occasions business has been more or less handicapped through the

creation of an improper or unfair public sentiment which has misguided the public into anticipating dire calamities which never have happened."

H. B. CRADDICK, a specialist in financial advertising at Minneapolis, addresses his friends as follows: "The greetings of the season to you. May the bounties of the old year be blessed; may the new year bring you health, happiness and prosperity; may the future be one of greater success in your chosen calling."

MR. CRADDICK believes that advertising is a science and its practice an art worthy of the best thought of any man. He believes that advertising is a vital element to all good banking; that it creates and holds confidence.

MR. CRADDICK is an enthusiast and does not believe that successful bank advertising is possible in the hands of any other sort of man. Thousands of bankers believe in Mr. Craddick and look to him for their business pulling copy. He can be reached care of the "Commercial West," Minneapolis.

T. B. WALLACE, organizer of the Fidelity Trust Company of Tacoma and for ten years its president, was one of the best known bankers and financial men of the Pacific Northwest. Prior to his recent death he had been practically retired from active business. During his busy life time he assisted in the organization of many of the best known business enterprises of the Northwest. His death occurred at North Yakima. Mr. Wallace leaves a large estate.

THE CLEVELAND AND MARIETTA RAILWAY COMPANY has declared a dividend of six per cent payable in cash. This road is one of those which go to make up that splendid system known as the Pennsylvania Lines.

BEST cure for "bankers' dementia" is treatment by a wide-awake superintendent of banks. Governor-elect Dix must consider the high standard established by Clark Williams before appointing a successor to Superintendent Cheney.—Wall Street Journal.

YOU don't hear much about the Chemical National, New York, these days unless one of the officials resigns to get into a live institution. It hasn't paid the Chemical not to advertise.

NELSON N. LAMPERT is to speak on "Hamilton the Financier" at the Hamilton Club banquet, January 11th, the anniversary of the birth of Alexander Hamilton.

ONE of your good resolutions should be "No more giving of Christmas junk." That day is over.

SOME candidates "open a barrel" in the midst of a campaign. Not so, Andrew J. Graham, "Chicago's next mayor," for on Tuesday he opened a new bank building, of the latest and most modern type.

NORTHERN TRUST'S annual statement shows that its time and demand deposits almost divide at \$15,000,000 each. In fact they would balance with the transfer of less than

thirty thousand from the demand to the time ledger.

H. B. JUDSON, who manages the bond department of the Northern, has sent out quite an attractive New Year's list. Up to 5 per cent net.

"FARM Mortgages vs. Speculative Investments" is a beautifully printed and interesting booklet sent out by Warren W. Hurd from St. Paul. Albert S. Maxham is manager of the Chicago office at 153 La Salle.

BACHE & COMPANY, New York, say that "The year is closing enveloped in uncertainties. The questions which thinking business men give most weight to, are: What will the Interstate Commerce Commission decide as to rates for the railroads? What will the Supreme Court decide as to the Sherman Anti-Trust cases against Standard Oil and American Tobacco?"

THE same high authority says that securities with assured dividends are safe, from the investment standpoint, and may be bought without reference to whether or not they will go lower, for whether they do or not, intrinsic value will eventually carry them higher.

THE net profits for the 47th year of The First National Bank, Chicago, are \$1,823,172.27 which after paying the usual dividends, adds \$683,172.27 to profit and loss account, increasing same to \$925,077.15.

THE net profits for the year of the First Trust and Savings Bank are \$940,604.63 which, after paying the usual dividends adds \$560,604.63 to profit and loss account, increasing it to \$1,150,229.61, from which the directors have transferred \$500,000.00 to capital account and \$500,000.00 to surplus account during the year, leaving a balance to be carried forward of \$150,229.61.

CHICAGO'S FIRST NATIONAL is one of the far outstanding, model institutions of the country. When a bank can make such handsome profits and at the same time be noted for and pointed out for its conservatism, why should anyone wish to conduct a bank on doubtful lines. "No serious losses" says Mr. Forgan, "for the year." There were some. It wouldn't be quite a bank if there were none.

IN summing up conditions President Forgan says: "The demand for money for industrial purposes has been steady and fully equal to the supply throughout the year. High rates of discount have prevailed and there has been an unusual opportunity for profit in commercial banking. In investment banking the scarcity of surplus funds for investment purposes has curtailed business, reduced values, and profits have been comparatively small. The combined earnings of your affiliated banks again show a satisfactory average for the year, viz., 11½ per cent net on the aggregate capital employed."

G. G. EVERHARD, formerly vice-president of the St. Joseph (Mo.) Stock Yards Bank, has been elected a vice-president of the Corn Belt Bank, of Kansas City, Mo. Mr. Everhard is widely known in business and banking circles and will add strength to the Corn Belt.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus & Profits
\$3,000,000



La Salle and Monroe Sts.
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
R. M. McKINNEY, Cashier
THOS. JANSEN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier
W. H. HURLEY, Asst. Cashier

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
C. T. JAFFRAY, Vice-President
A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President

D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - \$4,000,000.00
UNDIV. PROF. \$1,000,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President

CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS

Charles H. Wacker
Clarence Buckingham
Isaac G. Lombard
Edward A. Shedd
Edward B. Butler

Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair
Ernest A. Hamill

Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

CHARLES G. DAWES, - - - President
WILLIAM R. DAWES, - - - Cashier
A. UHRLAUB, - - - Vice-President
E. F. MACK, - - - Vice-President
WILLIAM T. ABBOTT, Vice-President
ALBERT G. MANG, - - - Secretary
MALCOLM McDOWELL, Assistant Secretary
WILLIAM G. EDENS, Assistant Secretary
JOHN L. LEHNHARD, Assistant Trust Officer

DIRECTORS

A. J. EARLING, President Chicago, Milwaukee & St. Paul Ry. Co.
P. A. VALENTINE, Capitalist
ARTHUR DIXON, Pres. Arthur Dixon Transfer Company
CHARLES T. BOYNTON, Pickands, Brown & Co.
ALEXANDER H. REVELL, President Alexander H. Revell & Company

S. M. FELTON, Pres. Chicago Great Western Ry. Co.
T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT.
CHARLES G. DAWES, ex-Comptroller of the Currency

Business Review Shows Nation is Sound

Condition of uncertainty in recent months causes slight check on industry. Outlook for 1911 is encouraging. Rate question still a factor of importance in all lines of commercial enterprise

In many respects the year just closed was remarkable. It was a period of unusual and trying situations for all business interests and yet as a whole the country made substantial progress.

Perplexity came to bankers, merchants and manufacturers in the midst of a season of great activity, for a money stringency, a sudden fall of prices and the adoption of a policy of retrenchment by leading railway companies revealed the fact that unwise investments and over-expansion, in connection with political agitation, had placed business interests in an unsafe condition.

In the face of an unusually heavy production of agricultural staples and when trade seemed at its best evidence suddenly appeared that commercial security and general prosperity were endangered by reckless investments in unproductive property and by a curtailment of business in several important branches of the iron industry which depend largely on the railroads for patronage. Considerable labor was deprived of employment at a time of year when all lines of trade are supposed to be at their best.

Volume of Business Heavy

This mixed situation raised grave doubts as to the future of business and yet the fact remained that the country had large crops and unimpaired buying power. Business men as a general thing preserved their optimism and the year drew to an end with some improvement as to prospects for the immediate future. The outlook would be entirely satisfactory were the railway rate trouble settled.

The trade of 1910 in all lines was large in volume and profitable as to returns. The city of Chicago was the center of great mercantile and financial expansion, gaining a high degree of prosperity.

Chicago's wholesale trade for the year 1910 amounted to \$2,132,220,450, an increase of ten to twenty per cent in the various lines. The city's manufactures for the year total \$1,855,845,350, an increase averaging about ten per cent over 1909.

Building permits issued in Chicago for the year footed up \$95,736,050, which sets a new high record in real estate development.

Bank Record is Gratifying

During the year the Chicago banks made the highest record in amount of deposits in their history. The call of March 31st showed the total for the national banks to be \$435,281,165, a gain of over \$22,000,000 over the last previous call. State banks of the city showed at that time deposits of \$398,999,961, a gain of \$13,000,000, bringing the total of Chicago banks' deposits to \$834,281,126, a high record in local banking.

In the period up to the next call the state banks of the city showed another gain of \$16,000,000, bringing the amount of deposits as of June 30th to \$415,008,724, the high record to date. The national banks, however, showed a decrease from the previous call, and the aggregate of deposits shown in the March call remains the record.

Comparison of conditions in 1910 with those for ten years prior indicates notable increases in the country's wealth, business of the banks and stock of the circulating medium. The wealth as stated by the census bureau for 1900 was \$88,-

000,000,000 and in 1910 estimated at \$125,000,000,000, the assets of the banks, so far as learned, aggregated \$10,786,000,000 in 1900 and about \$22,500,000,000 in 1910, while the stock of money rose from \$2,339,000,000 in 1900 to \$3,488,000,000 in 1910. Hence the increase in wealth during this period was \$37,000,000,000, in bank assets \$11,700,000,000 and in money nearly \$1,150,000,000.

Facts as to Iron Industry

It is customary to regard the iron and steel business as the barometer of business conditions. In 1910 the amount of pig iron manufactured was approximately 26,000,000 tons, against 25,300,000 tons in 1909. But the price of pig iron at Birmingham fell from \$14 in January to \$11 in December, the decline being gradual throughout the year. And the end of 1910 saw pig iron being produced at a rate about 50 per cent less than at the beginning. Iron and steel prices, to all appearances, will be reduced considerably in the first month of 1911.

The fundamental cause for this falling off in the demand for pig iron is said to be the check on buying that became part of the policy of the railroads.

Measured in dollars the nation's business was slightly lower than in 1909, if bank clearings are a trustworthy index. Clearings for all the banks of the country were about \$162,000,000,000, against \$164,195,488,940 in 1909. But the great falling off was in New York City, the center of the nation's speculative interests. That city's clearings amounted to about 4.5 per cent less than in 1909, while outside of New York the clearings amounted to about 7 per cent more than in 1909.

Earnings of Big Corporations

Thirty-three of the larger railways and industrials increased the dividend rates on their common stocks, and also increased their capitalization, the result being distribution of \$142,774,053 among the common shareholders by the companies mentioned, an increase of \$46,194,855, or 32 per cent.

The largest single increase was in the case of the United States Steel corporation whose common dividends, at 5 per cent aggregated \$25,415,125, an increase of \$11,436,807 over the amount disbursed in 2¾ per cent payments in 1909. American Tobacco's 40 per cent disbursement was a gain of \$2,012,020. International Harvester's inauguration of common dividends was a clear gain of \$3,200,000. Canadian Pacific's increased and extra dividends were \$3,900,000. New York Central's increase was \$4,432,158 and Goldfield Consolidated's was \$3,917,057.

The general progress is sufficient in the average person's mind to justify great confidence in the future of business. Summing up the whole situation it may be claimed that business is good, money is plentiful and the nation is sound. Interest therefore turns to the prospects for the opening year. Business men feel that 1911 is a more important study than 1910.

Real Estate Activity Assured

Chicago will lead all the rest of the country in building investments. Many of the largest projects ever undertaken here will get into motion

as soon as steel prices are fixed for the season. Few contracts for structural metal have been made but a good deal of important business along this line will be shaped up by February 1st.

Financing city real estate propositions is a comparatively easy matter. There has been uniform success with the better class of buildings here in the last dozen years, financial returns being all that was promised and all that could be asked for.

Judging from the large volume of mercantile business already in hand, Chicago jobbers are assured a reasonably satisfactory trade this year.

Farmers have as good prospects as could be expected at this time of year. There is a somewhat larger winter wheat acreage than last year, and probably the spring wheat area also will be enlarged. Corn production may be slightly curtailed. In general, however, the business interests of the interior are in good shape and throughout the West there is a confident spirit.

Pekin Postal Bank Opens

Pekin, Ill., January 3.—But six persons were lined up at the postoffice when the first postal savings bank in Illinois was opened to the public this morning. The cold wave dimmed the enthusiasm of many who intended to obtain the first depositors' certificate. The honor of being the first depositor went to Paul Conaghan, the 11-year-old son of Mr. and Mrs. James T. Conaghan.

The boy was at the postoffice building at 6:55 A. M. Five minutes later the front door of the postoffice swung open and he took his position directly in front of the bank window, and there he remained for one hour. Several persons arrived before the hour for opening the bank, but there was no rush.

The selection of Pekin as the Illinois city in which to try out the postal savings bank idea is considered an ideal choice by postoffice officials. The city has a population of 10,000, a majority being of German extraction and possessed of the thrift characteristic of that nationality. Fully two-thirds of the wage earning class are depositors in the banks or one of the three building and loan associations. Just how strong a government bank that pays 2 per cent on deposits will appeal to them as against a national bank paying 3 per cent is a question much discussed here. Bankers believe the postal bank will not decrease their savings deposits, but will serve to place in circulation money that would not otherwise find its way to a depository. Postal banks were opened at 47 other experimental towns in as many states.

The whole of the \$25,000 worth of stock in the new savings bank to be started in Inglewood has been sold. At a meeting of the buyers of the stock the following board of directors were chosen: W. H. Kelso, Adolph Leuzinger, John Aerick, F. A. Zillgitt and W. G. Brown. The selection of officers has not yet been made other than that Frank Zillgitt was chosen cashier. The building for the new bank and its location have not been definitely decided upon.

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I N V E S T M E N T S E C U R I T I E S

Alabama Program

The mid-winter convention of the Alabama Bankers Association will meet at Montgomery, the state capital, January 18th and 19th. As has been stated heretofore the convention is called at this season of the year for the purpose of aiding in the passage of a new state banking act creating supervisory powers over private banking and all other kinds of banking except national. It might be called an emergency convention and the reform element which expects to have unlicensed banking completely abolished in every state within five years will be present in great force. Practically the entire program will be devoted to discussion of the new banking act as drawn by a special committee of the association. Michael Cody, president of the Montgomery clearing house, will welcome the visitors, and other addresses of welcome will be delivered by Mayor W. A. Gunter, Junior, and by President E. B. Joseph of the Montgomery Business Men's League. On behalf of the visitors the response will be by Snowden McCaughy. President W. L. Lancaster of Wetumpka will deliver the annual address and McLane Tilton, Jr., will read the report of the secretary-treasurer.

The discussion of the new banking bill will be opened by Wm. Manley, chairman of the committee on legislation who will be followed by E. J. Smyer of Birmingham in a further discussion of the "Bank Bill as Reported." The first day's session will conclude with five minute reviews of business conditions by the group chairmen. A large banquet will be served in the evening at the new Exchange Hotel. Wm. A. Gayle of Montgomery will act as toastmaster. At this meeting some very large guns are to be fired. The Honorable Clark Williams, comptroller of the state of New York and former banking commissioner for that state, will deliver an address on "The Need of Better Bank Supervision and Regulation." The next three speakers will be Wm. P. G. Harding of Birmingham, E. J. Buck of Mobile and J. B. Greene of Opelika. These three speakers will discuss the new banking bill from the various standpoints of the national banker, the state banker, and the country banker, respectively. Ralph H. MacMichael of Pittsburgh, president of the American Institute of Banking, will address the banqueters and will be followed by a general open discussion of the new banking bill.

At the second day's session there will be a debate on the new bill participated in by H. L. Winn of Ashland, W. S. Prout and J. L. Marx of Demopolis, Clay Sheffield of Pine Hills, A. E. Jackson of Hartselle, F. A. Merrill of Cordova, A. S. Preston of Jasper, T. M. Ferrill of Vinegar Bend, A. B. Hope of Notasulga, W. W. Fussell of Enterprise and such members as may catch the eye of the presiding officer. At the close of this public debate the previous question will be moved upon the bill and a resolution passed calling upon the legislature

to pass it as submitted. The election and installation of new officers will conclude the session.

Meeting of Illinois Executive Council

The mid-winter meeting of the Illinois Bankers' executive council will be held in the assembly-room of the First National, Tuesday, January 17th. After the business session a meeting of all officially identified with the activities of the association and its committees will be held in the gold banquet room of the Congress Hotel, at 6:30 p. m. Informal. Upon this occasion all are invited to bring guests, interested in banking, to the fellowship meeting. Seating will be at small tables for six persons, which may be reserved if early notice is given, with names of those to occupy the places. "Tickets to banquet and entertainment to follow, \$5.00 for each person. Please remit to secretary in advance" is one of the regulations. This is to be a good fellowship meeting and should be well attended.

Chairman J. D. Phillips will bring up any subject proposed to him for discussion by any member. He hopes the attendants will make it their own affair from start to finish.

Treasury and the Banks

"The Independent Treasury of the United States and its Relations to the banks of the Country" is the title of a volume just published by the National Monetary Commission. This monograph was written by Dr. David Kinley, professor of political economy in the University of Illinois.

During the past ten or fifteen years Dr. Kinley finds that there has grown up a policy of active interference with the money market on the part of the treasury department. This new policy, he

believes, is due to the realization on the part of secretaries of the treasury and business men of the evil influences of the independent treasury system on business.

The use of the independent treasury for affording relief in a panic by means of its surplus, Dr. Kinley concludes, is not a satisfactory mode of accomplishing that purpose. He believes the harm done by the system greater than the good, and the advantages of its occasional assistance in time of crisis more than offset by its continued disturbance to the money market and the banks.

Bank Guaranty Valid in Oklahoma, Nebraska and Kansas—New York State Law Upheld

Washington, January 3.—The fights against the policy of the state guaranteeing bank deposits met with telling reverses to-day when the supreme court of the United States held constitutional the bank guaranty laws of Oklahoma, Nebraska, and Kansas.

The three acts were passed by the respective state legislatures as a result of the financial stringency beginning in 1907. They were similar except that the Nebraska law made it obligatory on all state banks to contribute to the guaranty fund to be placed in the hands of state officials, while the Oklahoma and Kansas legislatures left the contribution with its attendant duties and benefits to the discretion of the banks themselves.

The supreme court also held constitutional the New York banking law enacted in 1910 to regulate the conduct of individuals and partnerships engaged in the business of receiving deposits for safe keeping or for transmission of money to another without being licensed.

The law was enacted, so it was stated to the court, as a result of the report of the New York immigration commission and was designed to cure abuses said to exist principally in the case of banks dealing largely with immigrants and aliens.

In the bank guaranty cases the lower courts sustained the laws, but the objectors carried the cases up. In the New York case, putting restrictions on and taking supervisory powers over private banks, the lower courts decided adversely to the law but the state carried the cases up.

Baltimore Trust Increases Dividend

The Baltimore Trust Company declared a quarterly dividend of 5 per cent, placing the issue on a 20 per cent per annum basis, payable January 3d. The last disbursement was 4 per cent and an extra of 1 per cent.

Commissioner of Banking M. C. Bergh, has issued a charter authorizing the Mount Hope State Bank, capital \$15,000. Andrew Carius is president and William Leighton cashier. Articles of incorporation of the Farmers State Bank of Calumet Harbor were also approved by Commissioner Bergh. The bank has a capital of \$10,000 and the incorporators are H. A. Maxey, Charles Bergen, Jr., and Louis Friedman.

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ILLINOIS BANKING NEWS

By C. C. Burford

The Granite City Trust and Savings Bank, the new financial institution in the rapidly growing Illinois suburb of St. Louis, opened its doors for business December 24th. When closing time came that evening it was found that \$30,000 had been deposited in the new bank. A man from St. Louis was the first depositor and Granite City people quickly followed until the new bank was comfortably started.

The bank has a capital of \$100,000 and when State Auditor McCullough checked in the new institution the evening before it began business the stock was paid in in actual cash. From the standpoint of architectural beauty as well as from the viewpoint of banking convenience the room is all that could be desired. Officers are Chas. F. Stegel, president; F. Vorwald and G. A. Neimann, vice-presidents; R. A. Morris, cashier; and R. C. Barney, assistant cashier. The directorate includes some of the best men in Granite City, Edwardsville, Madison and Venice.

Record Prices for Land

One of the best sales of land in central Illinois is the transfer of 140 acres on McLean county near Lexington for \$262.50 an acre. The Bloomington Pantagraph in reporting this sale says that it is probably the highest price ever known for McLean county land and adds that the purchaser bought the land for an investment. The \$300 mark must be well in sight if the new owner expects to make a good margin of profit on the deal.

Another good sale is reported from Douglas county where 120 acres of land sold recently for \$250 an acre. A thrifty German farmer paid this price. In Moultrie county a farm of eighty acres located in the vicinity of Sullivan was sold for \$250 an acre.

Bloomington Clearings Increase

If bank clearings can be regarded as a barometer of business prosperity the financial situation in Bloomington must be regarded as very sound and progressive. During the year 1910 the increase in clearings in Bloomington is the largest of any year since the clearing house was established in 1900. The volume of business handled for 1910 is \$5,000,000 ahead of the total for 1909.

While the general tone of business for 1910 has not been as good as some of the years preceding the financial flurry of 1907 yet the volume of business handled by the banks of Bloomington shows a remarkably healthy increase. The figures from the Bloomington clearing house also show that three times the business is now done in that city which was transacted there ten years ago. Bloomington is rapidly becoming well known as clearing center for central Illinois and some bankers prefer handling their business there to having it done in Chicago.

Pekin Postal Bank Started

As previously stated in THE CHICAGO BANKER the government will give the postal savings bank system a try-out with one bank in each state and territory. The designated postoffice in Illinois is at Pekin and the postal bank was placed in service there the first business day of the new year, January 3d. Pekin has received considerable advertising because of her new enterprise and the Chicago and down-state papers have given her special write-ups.

Postmaster Fahrman has recently returned

from Washington where he has been receiving instructions relative to the new department of his office.

Banking Notes

Samuel C. Gosney, aged seventy-two, for years vice-president of the First National of Carmi, is dead.

The new building of the Mattoon National is progressing rapidly and when it is completed will be one of the best business buildings in Mattoon.

The creditors of the Farmers and Merchants Bank of Macon, which failed recently, will probably receive about forty per cent of their deposits from the receiver of the bank.

Manager Donovan of the Red Sox team of Boston is making a special effort to secure Garland Stahl, better known as "Jake" for his team. Stahl is now in the banking business with his father-in-law and is serving as vice-president of the Washington Park National of Chicago.

George W. Curtis, president of the Dime Savings Bank of Peoria, represents the Peoria Clearing House Association on the committee of the Association of Commerce which is working to boost the interests of Greater Peoria.

The State Bank of Charleston has added \$10,000 to its capital and has declared a dividend of five per cent. John M. Glassco, secretary of Group Six, is the cashier.

The will of the late Charles G. Brown, formerly president of the Farmers National of Springfield, has been filed for probate in that city. Mr. Brown leaves an estate of one million dollars. The property consists of railroad and other stocks and a thousand acres of Illinois farming land. The earnings of the land are to go to educational and charitable institutions among them being Blackburn College at Carlinville and the Home for the Friendless in Springfield as well as to an industrial school in Asheville, North Carolina.

"Sources of Credit Information" is the title of an address by H. A. Wheeler, vice-president of the Union Trust Company of Chicago and printed

by them in pamphlet form for circulation. Inasmuch as the credit men of the country are doing a great work now in protecting banks, merchants and manufacturers from falsified and shadowy credit statements the address of Mr. Wheeler may be read by bankers with considerable interest.

Wheat Higher

With an upward rush at the opening of business on Tuesday wheat struck the dollar level after two months of a dragging market. The severe weather was the only cause in sight but the fact that the May option is so largely held by strong operators had a good deal to do with the spurt.

Throughout the entire winter wheat region of the West a condition has developed which may have a strong influence on the market. There was little snow on the ground last week but what little there was turned into water. Then there was a light general rain, followed by a sharp freeze while the water stood on the grain fields. This leaves a coating of ice on the wheat, which cannot be otherwise than hurtful. No crop is safe from serious injury in these circumstances. Wheat bulls may make the cold weather and fields of ice the basis for a strong upward movement.

The European situation has been somewhat against holders. Supplies are fair and it is learned that Russia has much more wheat to export than had been expected. Foreign speculators are apt to take hold with their American brethren now that there has been a change in conditions on this side. Deliveries will run rather light for a time, but the main factor in the bull situation is the severe weather over the winter wheat belt.

Adopt Scale of Reward for Swindlers

Kentucky bankers have declared against forgers and swindlers, and in a meeting at Lexington, adopted a resolution providing for a scale of rewards for the pursuit, capture and prosecution of persons swindling or attempting to swindle a bank in the commonwealth.

A change in the bank burglary bonding companies carrying this class of insurance was also discussed, but was held over until the next meeting so that data affecting bonding rates could be secured in the meantime.

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STATE BANK OF CHICAGO

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 Surplus and profits (earned) 1,700,000
 Deposits over - - - 22,500,000

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 JOHN R. LINDGREN, Vice-President
 HENRY A. HAUGAN, Vice-President
 HENRY S. HENSCHEN, Cashier
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427 CHESTNUT STREET

Capital - - - \$2,000,000.00
 Surplus and Profits 1,430,000.00
 ORGANIZED JANUARY 17, 1807
 Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President
 Henry B. Bartow, Cashier John Mason, Transfer Officer
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Money, Banking and Finance from Chicago Viewpoint

Western financial men are not averse to having the great insurance companies increase their investments here. It is believed there will be full employment for bank funds before the end of winter. Otherwise there might be a disposition to monopolize the bonds of the Burnham insurance building locally. While this issue of real estate bonds is in some respects the most attractive ever made in Chicago it is probable the big eastern companies will own at least 60 per cent of them. The remainder are likely to be absorbed here.

It was the expectation until a week ago to market these bonds on a higher basis, but the condition of the money market has made this unnecessary. The whole issue amounts to four million five per cents. Easier money convinced holders that better terms could be secured and the issue goes out at \$1.02½, the interest to net 4¾ per cent.

It is apparent that had this enterprise not been launched at the time of monetary stringency a few months ago a four and a half per cent bond could have been successfully floated. Burnham's projects are in high favor with investors. They invariably are worked out in a practical and skillful way and make good returns on money invested. The entire situation is encouraging to others who have deals of this nature to finance this season.

Unexpected Plethora of Capital

Money is plentiful enough at present so that as popular an issue as this would not go begging were the face return fixed at four or four and a half per cent. The present winter is an unusually favorable time for financing such projects and several more issues are looked for in the near future. Investors who keep in touch with the banks are ready to back all the real estate enterprises within the loop that have so far been spoken of. A number of million and two million dollar buildings are on the program for 1911 and they are expected to fol-

low the plan of the insurance block, making a five per cent bond with liberal selling profits. In most cases the banks or trust companies will market these securities but may not retain ownership to any great extent.

General faith is expressed that before spring the Interstate Commerce Commission will see the necessity of freeing the railroads from restraint with reference to the proposed increase of freight rates. When this comes about business is bound to improve for the companies will once more become liberal buyers of leading commodities. It is thought that the advance in wages which has been granted by western lines will be a powerful leverage in getting Interstate Commerce action. Public sentiment has turned largely in favor of the railroads. It is the opinion of bankers generally that the condition of stagnant money will come to an end just as soon as the railway controversy is settled.

Look for Active Season

With the one dark spot on the business horizon removed it is thought there will be a season of great activity throughout the West, with the usual large employment for bank funds in mercantile lines. All early indications point to an increased wheat crop and it is probable the production of corn and cotton will fully equal that of the past year.

The year 1910 will prove to be the best in 25 years in the cotton belt. The earlier half of the calendar year was marked by high prices for the old crop, and the first third of the season in the new crop has turned out to be still better. Weather conditions during the season were never more favorable for a clean and uniformly colored fiber. Prospects for next season point to an enormous increase in the sale of fertilizers for trucking crops, cotton and corn. This movement has already begun to occupy attention of the southern railroads and shippers.

Prices in practically all staple farm products, even including cereals, are still high enough to cause the extension of acreage in nearly all kinds of spring planting. The next ninety days should determine the extent to which prices have affected the plans for the season of 1911. The farmer is able financially to enlarge his operations, and the chief question will be one of labor capacity to do the work.

Opinion as to General Business

Careful inquiry at local banks as well as among wholesale houses fails to reveal anything but a spirit of confidence with regard to general trade. Certain facts are clear enough for the most superficial observer. Crops were excellent in all parts of the country last year and judging by acreage and winter prospects farmers will maintain the position they now hold. This is considered sufficient on which to base predictions of prosperity. As W. T. Fenton recently stated in this journal, it is hard to ruin a country when it has good crops.

There is a slowing up in certain lines of manufacturing. This is due to the railroad deadlock. The roads feel compelled to pursue a policy of retrenchment until they get a decision from the Interstate Commerce Commission and while they are light buyers some lines of industry are bound to suffer. This is looked on as an exceedingly unfortunate incident that hurts the business world in spots, but it does not reflect unsound conditions anywhere, not even among the railroads, as last week's advance in wages proves.

Trouble May Soon be Over

Bad as the railroad dispute is it has none of the elements of a panic. To bring on a period of depression such as was experienced three years ago we would have to show over-expansion of business, a scarcity of capital, inability of the banks to cope with currency demands and a general lack of confidence. There are no such features in the present situation. As a truth money

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is overabundant just now, a fact which is largely due to good collections and a general liquidation of indebtedness, following the marketing of farm products.

The business world is ready to move forward in a normal way as soon as a decision can be reached in the rate dispute, which is the only clog on commercial affairs. In the nature of things this trouble must soon be ended. The federal administration is keenly aware of the country's desire for a decision of the pending question. So great has been the pressure of public sentiment to get this matter disposed of that it is only reasonable to look for definite action in the near future.

Armour & Company Earn 29 Per Cent

Armour & Co.'s first annual report consists of a condensed income account and a balance sheet. It shows that the net earnings for the year declined \$1,310,203. In 1909 net profits were equivalent to 35.6% on the \$20,000,000 stock. For the current year they were 29%.

Until the issue of the \$30,000,000 bonds the company carried enormous bank loans as part of working capital. After 1907 the necessity for a more permanent means of increasing working assets than by bank loans became apparent. The \$30,000,000 bonds are 5% thirty-year securities having a lien on the entire property of the company.

Net capital investment as indicated by the report is \$93,983,313. President Armour says in regard to this that the earnings, which equal about 6½% on this investment, are fair, considering the unusual and unfavorable conditions under which the company operated during the year.

President Reynolds Optimistic

George M. Reynolds, president of the Continental & Commercial National, is optimistic concerning the new year. He says the only peril is from pessimists that look upon the dark side of the commercial world. On this subject he says: "In view of the abundant yield of all kinds of crops that the soil of our country produces, I regard the general physical condition of the West and South are being satisfactory. The inclination

for too great an activity in real estate speculations and the expansion of credit in other directions has been much curtailed during the last few months and the tendency now with bankers and business men generally is toward a more conservative policy in this direction. Public sentiment is one of the most potent factors in all human endeavor; it exerts the same influence whether it is right or wrong; and since public sentiment is largely created through discussion of the various topics of the day in a conversational way, by those who occupy high places in business, I am a believer in the theory of conservatism in public utterances, as also I am a believer in conservatism in business.

"It is my belief that most of the things that occur in life which cause us worry and anxiety come as the result of fear of things which really never come to pass, and it has been my observation that on many occasions business has been more or less handicapped through the creation of an improper or unfair public sentiment which has misguided the public into anticipating dire calamities which never have happened."

Gold Brick

"The Gold Brick" by Brand Whitlock (publishers, Indianapolis; Bobbs-Merrill Company) contains a collection of political stories with popular interest as the pivot about which the plot revolves. Although the book contains other fine stories as "Henderson of Green," "The Has-Been," and "The Pardon of Thomas Whalen," "The Gold Brick" was evidently intended to lead them all. Neill Kittrell, a poor newspaper cartoonist for a small popular paper, was persuaded by the "Daily Telegraph" to accept their offer of a much larger salary which, he thought, would mean an end to all the ceaseless economy with which he and his wife had been living. Through this change he lost his enthusiasm for his work for during the campaign he had to flatter those he hated, and to paint his friend and often-time guest at the flat who was running for mayor as the people's

man as black as possible. His wife lost interest for she was much happier struggling along on a small pittance with her husband living up to his colors than now when his heart was not in his work. However, sincerity had not altogether left him, and the reader will discover how he again became himself. All of the stories contain that apt political sketching which is characteristic of the work of the author, and makes his stories always interesting.

Detroit Banks Elect Directors

Two new names were added to the list of directors of the Detroit Trust Company, at the annual election, those being John M. Dwyer and Julius H. Haas. They were elected to fill the vacancies left by Joseph N. Wright, deceased, and another which has been left open for some time.

The complete list is as follows: John Avery, Henry P. Baldwin, Arthur H. Buhl, Edward H. Butler, Jas. E. Danaher, James E. Davidson, Chas. A. Dean, Samuel T. Douglas, Frederick E. Driggs, John M. Dwyer, Frank H. Eddy, Elisha H. Flinn, Frank W. Gilchrist, Julius H. Haas, Benton Hanchett, Oren S. Hawes, Alex. I. Lewis, Lucius Lilley, Alex. McPherson, Sidney T. Miller, Edwin C. Nichols, Geo. Peck, Daniel L. Quirk, Jr., Walter Scotten, Edward D. Stair, Chester G. White.

At the annual election of directors of the Union Trust Company, the following were re-elected: Henry B. Ledyard, F. J. Hecker, A. E. F. White, Charles Stinchfield, Henry Russel, Elliott T. Slocum, Charles A. Ducharme, Harry A. Conant, Charles L. Palms, D. C. Whitney, Philip H. McMillan, Herbert E. Boynton, George Hendrie, Albert L. Stephens, Paul F. Bagley, Burnham S. Colburn, George B. Remick, Frank W. Blair, George M. Black, Allen F. Edwards, George H. Russel, Gerald J. McMechan and J. C. Hutchins.

Spokane Chapter, American Institute of Banking held its first December meeting in the club rooms last week. Morton Macartney, city engineer, and Attorney J. T. Burcham were the principal speakers of the evening.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
CHAS. E. ARNOLD, 2nd Vice-President
HERMAN F. WOLF, Cashier
L. G. BOURNIQUE, Asst. Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 100,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Reviewing the year of 1910 it now appears that the beginning of the year promised more than was realized. The manufacturer looked for an unusual demands for all kinds of products but his hopes were not fulfilled. According to General Otto H. Falk, president of the Merchants and Manufacturers Association of Milwaukee, the middle of the year witnessed a depression in a number of most important industries—orders failed to materialize and the working forces were reduced. Toward the autumn months some little revival of trade was expressed in many lines and the year closed with about a normal production to its credit.

Some of Milwaukee's industries outside of iron and steel ran not only full capacity during the entire year but at certain times that capacity was strained to the utmost to supply demands. Large additions have been made to a number of manufacturing plants and several new industries have been located in Milwaukee.

The total number of establishments in Milwaukee in 1910, embracing all of the various lines, amounts to 4,126 as compared with 3,989 for 1909, or an increase of 137; number of employees in 1910, 109,216 as compared with 105,919 for 1909—an increase of 3,602.

The total amount of wages paid in 1910 amounted to \$65,853,152 or a gain of \$3,795,218 over the preceding year. The total amount of capital employed in 1910 amounted to \$236,558,011 as against \$229,864,362 for 1909, showing a gain of \$6,683,649. The estimated value of the year's production for 1910 amounts to \$329,526,607 as compared with \$323,354,823 for 1909.

The Year's Bond Business

Concerning bond trade for 1910 and the present condition of the bond market, Gardner P. Stickney, vice-president of the Wisconsin Trust Company, has the following to say:

"The year of 1910 was ushered in with an active security market, but for the first six months of the year prices gradually receded with a diminution of investment business throughout the entire country. Minimum prices obtained about midsummer and from that time until well into September there was perceptible firming up with fair demand for the better grade of securities. After October 1st, prices again receded slightly, but the year closed with an increasing demand for high grade securities.

"Early in the second half of the year leading bankers predicted a letting up in general business and this became apparent in certain leading lines as the year advanced. This recession in business allowed money to pile up in the banks and is creating a consequent demand for good securities. During the greater portion of the year, money has demanded a high rate of interest and this has had its effect upon the security market, investors and country bankers seemingly preferring to take advantage of the high rate on short time loans. During the latter part of the year as these loans approached maturity, it was apparent that these investors were coming in the market for good bonds. It is an axiom in the bond business that when money rates are high bond prices are correspondingly low and the shrewd investor often takes advantage of this opportunity to secure a line of good securities

against the time when loan rates decrease and the price of bonds advances.

"The year 1910 has been somewhat peculiar in that there have been comparatively few large bond issues since early in the year. A significant fact which has been widely commented on recently in financial publications is that underwriters for some time have found it relatively easier to interest their clients in preferred stocks of established corporations rather than in low grade bonds. This has led to some noteworthy increases in stock issues of this class and the underwriters of these issues have experienced little difficulty in placing them quickly. As a matter of fact, in one or two local instances the stock has been heavily oversubscribed."

The Year among Milwaukee Banks

The year 1910 has been one of progress and expansion among Milwaukee banks. Some of the older institutions have taken steps to increase their business and new banks have entered the local field to compete with them.

The year has been noteworthy for the number of new buildings that have been planned and which are now under way or will be begun in the near future. One of the most important announcements of the year was that in regard to a proposed building for the Marshall and Ilsley bank. This is to be located on East Water Street, between Wisconsin and Mason streets. It will be designed exclusively for banking purposes and will be one of the most imposing structures of its kind in the city.

The Second Ward Savings Bank has also announced its intention of improving its facilities.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wis.

ESTABLISHED 1847

Capital \$500,000 Surplus and Profits \$500,000

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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F. X. BODDEN, Mgr. Bond Department	G. A. RUESS, Mgr. South Side Branch
S. H. MARSHALL	J. H. TWEEDY, Jr.
R. N. McMYNN	GUSTAV REUSS C. C. YAWKEY

One of the most important improvements contemplated is the tearing down of the old building at West Water and Third streets and the erection of a modern bank building in its place. New branches are also planned.

During the year the Merchants and Farmers State Bank opened for business. Most of the stockholders are farmers and merchants who live in the vicinity of the bank, which is at Green Bay Avenue and Fifth Street.

The Home Savings Bank was organized during the year and will be opened for business early in the new year.

The last year has been one marked by the consolidation of banks throughout the country. Although it has been rumored that there was a possibility of Milwaukee banks merging, no definite announcements to that effect have been made.

A number of important changes have occurred in the personnel of the various banking institutions of Milwaukee during the last year. Two bank presidents and one director died during the year. They were George Brumder, president Germania National; J. M. Pereles, president Citizens Trust Company, and Edward P. Hackett, director Marine National. The resignations of M. A. Graettinger, cashier, Merchants and Manufacturers Bank, and Charles E. Arnold, second vice-president, Wisconsin National, were accepted during the year.

Wisconsin Trust Companies

Regarding trust companies Commissioner Bergh says:

"The trust company law enacted by the legislature of 1909 has not been on trial long enough to disclose all of its defects. It is however, apparent, even at this early date, that certain limits should be fixed by law, both as to the amount that might be loaned to any one person, firm or corporation, as well as the territory where such loans may be made, in order that added protection be given to the depositors, and also to materially simplify the work of examination and supervision. I can conceive of no good reason for permitting savings and time deposits in trust companies, to be invested under different rules than those established for the same class of deposits in state banks and mutual savings banks. This law as a whole is, however, an improvement over the old law, in so far as it requires the deposits received to be held or invested separately from other funds or properties held by the corporation, so that in case of insolvency or liquidation all such funds and investments made therefrom are

primarily liable and must be used for the payment of such deposits."

Bank Commissioner's Annual Report

In his annual report submitted to Governor Davidson on December 30th, State Bank Commissioner M. C. Bergh said that there were no losses to depositors in any of the 510 state banks and 11 trust companies under his supervision in 1910.

"These institutions," says Commissioner Bergh, "have had a very prosperous year. The deposits in state and mutual savings banks have increased \$19,523,976.83 and the resources, \$21,978,064.66."

The total resources and liabilities of the 510 banks on November 1, 1910, were \$162,125,640.30 as against \$140,155,455.87 on November 16, 1909.

During the year covered by the report thirty-eight new state banks were chartered and one surrendered its charter, the net gain in the number being thirty-seven.

The bank which liquidated was the State Bank of North Prairie with a capital of \$10,000. The bank was taken over by the State Bank of Genesee Depot, Genesee Depot, Wisconsin.

Bank Mergers Fall Through

In denial of the rumor that a consolidation of the Milwaukee National with the First National of this city is impending, although at the same time admitting that overtures in this direction have been made by the latter institution, the Milwaukee National has issued the following statement to its stockholders and depositors:

"Although a large bonus was offered by a very strong financial institution of this city for the business and good will of the Milwaukee National, our directors decided unanimously to continue business. Thanking you for past favors, hoping for a continuance of the same and wishing you a happy and prosperous New Year, we are,

"Yours respectfully,
W. F. FILTER, Cashier."

President George W. Strohmeyer of the bank is disinclined to discuss the matter beyond saying that he is pleased at the termination of affairs. He conceded that during the last ten days nego-

tiations had been pending toward the sale of the business and good will of the Milwaukee National, and that a flattering offer had been made, which the board of directors has decided not to accept.

The Milwaukee National was organized and incorporated in 1853 and reorganized in 1865. It is one of the oldest and most conservative banks in Milwaukee. At the time of its last report its capital was placed at \$450,000 with a surplus of \$100,000. The officers are: President, George W. Strohmeyer; vice-presidents, L. M. Alexander and C. Pensthorpe; cashier, William F. Filter; assistant cashier, John F. Strohmeyer.

The bank owns the building which it occupies on the northeast corner of East Water and Michigan Streets.

This deal has been pending for several weeks but as negotiations progressed it became apparent that the required two-thirds of the stockholders could not be induced to consider the consolidation and it was therefore abandoned.

Year's Bank Record Good

The annual report of the Milwaukee Clearing House Association shows an increase in clearings of \$55,122,112.90 over those of 1909. Balances show an increase of \$1,671,283.79.

Prominent La Crosse Banker Retires

E. E. Bentley, president of the Batavian National, the second largest in Wisconsin outside of the city of Milwaukee, has announced his retirement. Mr. Bentley has been president of the bank for sixteen years and has been an employee or an officer of it since 1866. He was recently married to Miss Anna Head, of Beloit, a young high school teacher, and has just returned from a honeymoon trip through Europe. Albert Hirscheimer, president of the La Crosse Plow Company, will succeed him as president. Mr. Bentley said he now proposed to enjoy his life and to spend much of his time in traveling in America and Europe. He is 67 years old and his bride is 28.

Association Secretary Optimistic

Commenting upon the future, Secretary George D. Bartlett, of the Wisconsin Bankers Association says, "There is nothing in the conditions of the central west to indicate anything except a continuance of prosperity of 1910. Judging from the reports from the eastern section of the country they do not impress me as it being a desirable time for the laborer to insist upon higher wages."

WANTED

Norwegian banker, with ten years' experience as assistant and cashier in west central Minnesota, desires position as cashier or assistant in a bank in a live city or town. Can take position immediately or January 1st. All references. Address

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Capital
\$2,000,000

Surplus
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J. R. COOKE, Asst. Cash.

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The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Retirement on pension of persons with the bank a stated term and who have passed an age limit to be set has been determined by the Northwestern National. Directors F. E. Kenaston, A. R. Rogers and L. S. Gillette have been appointed to work out the plans for submission January 10th. The plan was presented by two vice-presidents, E. W. Decker and Joseph Chapman, Jr. Action approves the plan to appropriate a lump sum to start with, the amount to be decided. Forty-seven employees were on the roll ten years ago and 194 now. The Minnesota Loan & Trust Company, an affiliation, has forty-seven. If the plan includes both institutions the total will be considered. Several employees have reached sixty and are eligible for retirement.

Country in Good Shape

An estimate of the year by W. A. Miller, president of the St. Paul First National, reads: "The year has been a good one. There is nothing pessimistic in our outlook. The year's business has been satisfactory, and the anticipations of depression due to exaggerated crop predictions, which were discounted by the real yield, were not realized. It is true some points have felt a shortage of crops where the country was a one-crop territory, but the embarrassment has been only temporary, and the country is in very good shape, especially the Northwest. There is plenty of money in the St. Paul banks for all legitimate needs, and there has been no tightening of credit. The rate on commercial paper is the same and, in fact, a little lower than it was a few months ago."

St. Paul and Minneapolis Clearings

St. Paul bank clearings show a gain of \$58,728,433. Every month but three showed material gains. The clearings for the year, last day estimated, were \$575,972,796.

Bank clearings in Minneapolis for 1910 were \$1,155,659,665, a gain of \$125,744,809. December showed clearings of \$102,794,784, a decrease. Clearings for four previous years were: 1910,

\$1,155,659,665; 1909, \$1,029,914,856; 1908, \$1,057,468,860; 1907, \$1,145,462,150.

High Crop Record Made in 1907

E. W. Decker, vice-president of the Northwestern National, said: "The former high record was made in 1907, a year of an enormous crop and high prices for grain. 'The year 1910 did not raise as great a total crop in country tributary to Minneapolis as was raised in 1907, and prices did not rule as high on the whole. Yet the bank transactions ran to a new high record, showing that business in all the manufacturing, wholesale, and retail lines increased greatly. There will be much new building, I believe, in Minneapolis in 1911. Business in general will be affected somewhat by the lighter crop produced last year in some portions of the Northwest, but it will be a good year.'"

Cover Man Poisoned

The Interstate Protective Association has lost a "cover man." He was fed wood alcohol when he asked for a drink, presumably by men

who suspected him of reporting their movements to the association detectives. The act was in October in an obscure town in Iowa. The cover man was in jail. He managed to get a word to his companions, all yeggs, to slip him a bottle, which he drained.

"We must withhold his name, and even that of the town in which he was killed," said Charles R. Frost, secretary of the association. "He was on the 'square' with us, served us faithfully and the oath we took when he entered our employ not to reveal his identity to any one under any circumstances will be observed, even though he is dead. We have many other former yeggmen working for us as 'cover men' and if we should betray him even now we could never expect them to play 'square' with us."

Continued Prosperity is General Opinion

Condition comments are as follows: F. A. Chamberlain, president Security National, "I can see no reason why we should not enjoy continued prosperity the coming year;" Joseph Chapman, Jr., vice-president Northwestern National, "The past year was satisfactory. It is the general feeling among bankers that the business of the Northwest will be satisfactory in 1911;" V. H. Van Slyke, president Metropolitan National, "I see no reason why 1911 should not be a fairly good year. Political conditions are becoming settled and more conservatism is being shown;" F. M. Prince, president First National, "Business has been good and we do not see why it should not continue so for the coming year;" Theodore Wold, president Scandinavian American National, "Business is fine. If it was any better now than it is we could not take care of it."

Banking Notes

The Citizen's State of St. Peter has \$10,000 capital. A. M. Jensen is president, C. H. Clark is vice-president and N. W. Olson is cashier.

Louis Betz, treasurer State Savings Bank, installed on Tuesday as president of the St.

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CAPITAL, SURPLUS AND UNDIVIDED PROFITS

\$3,700,000.00

Fort Dearborn National Bank Chicago, Illinois



Capital - - \$1,500,000

Surplus and Profits 400,000

Deposits - - 16,000,000

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NELSON N. LAMPERT, Vice-President

J. FLETCHER FARRELL, Vice-President

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Paul Commercial Club, urged a unification of the various business organizations, continued activity in bringing conventions; further efforts to bring homeseekers to Minnesota.

The Farmers' & Merchants' State Bank of Wabasha, \$25,000 capital, has as incorporators, J. B. Kelley, E. B. Kenefic, Joseph Welp, Lawrence Scherohammer, J. B. Ulrich.

At the close of business for the year the Minneapolis treasurer had \$835,118 in cash and in banks as compared with \$2,068,936 the year previous. Interest collected on bank balances in 1910 amounted to \$43,888.

Minnesota Trust Buys School Bonds

The Minnesota Loan & Trust Company has bought \$200,000 school board notes running six months and bearing interest at 4 5-16 per cent. Other bids were received. The board will pay an obligation to the city. President G. H. Elwell of the school board had already commented on the inability of the city to sell bonds at 4 per cent, but the bonds cannot sell below par and cannot pay more than 4. It is expected that market conditions in 1911 will permit the sale of bonds, and meanwhile the board will have the money.

Cashier's Wife Dead

Mrs. Lizzie G. Holton, wife of Frank E. Holton, cashier of the Northwestern National, is dead at Monrovia, Cal. There are three children.

Bankers' Personal Property Valuations

Personal property valuations on bankers are reported as follows: W. H. Dunwoody, president Northwestern National, \$240,600; F. H. Wellcome, Union Investment Company, \$20,425; M. B. Koon, vice-president Northwestern National, \$15,990.

Bookkeeping of All Minneapolis Banks Similar

As to the required uniformity in bank bookkeeping, H. A. Willoughby, cashier Minneapolis First National, says: "The national banks of Minneapolis keep their books in a manner so nearly alike there is substantially no difference. It is not always practicable for a smaller bank to follow the exact system that a larger bank finds practicable, but, generally speaking, there is no difference in the accounting while among the larger banks the system is practically uniform."

State Asks for Certificate of Alabama Firm

J. B. Galarneault, retiring superintendent of banks in Minnesota, has asked the Standard

Home Company of Birmingham, Ala., to surrender a certificate recently granting it to do business in the state. The company, the superintendent says, showed on August 31, 1910, a paid up capital stock of \$81,270, with authorized stock of \$500,000, and its certificate is for \$500,000. This, he believes, was obtained to show high capitalization to increase business in Minnesota. Secretary of State Schmahl says that the law should be changed in the state, where it is customary to issue certificates for the amount specified in the articles of incorporation.

Defunct Bank Gives Full Payment

When the Edgemont State Bank, S. D., went into the receiver's hands a year ago it had no funds. The receiver, Fred L. Dunn, who has just been discharged, had paid dollar for dollar and a 2 per cent dividend. The bank failed through ill advised investments of the president in local real estate. When the president agreed to turn his property over sentence was suspended. Edgemont prospered, values increased and the result was full payment.

Consolidation Completed

J. W. Molyneaux has been elected president of the Minnesota National to liquidate it. The Scandinavian American National, which took the deposits, and assets to cover them, will have a sum to pay back, representing the excess. The Minnesota National has a lease on its former quarters of four years to run at \$3,600 a year and a twenty-year lease of its new quarters, nineteen and one-half to run, at \$6,000.

The transfer of the bank to the Scandinavian American National building was accomplished safely, the clerks over the holidays transferring the accounts, opening new pass books, and closing old accounts, or 6,000 operations. The Minnesota had 1,300 customers and the other bank 1,800.

Bank of England Notes

About the year 1819 a great outcry was raised against the Bank of England for not adopting a style of note that could not be imitated, at the same time preventing the sacrifice of life which at that period was all too common, the punishment for forgery being death. The subject at last became so pressing that the government appointed commissioners to investigate the cause of the numerous forgeries, and whether a mode could be devised whereby the forging of bank

notes might be prevented. The result was the bank note of to-day. The color of the paper is peculiar and cannot be imitated exactly by counterfeiters except at great expense. The combined thinness and strength of the paper was also unique. It is made in sheets large enough for two notes. Each note, before it is sized, weighs about 18 grains, and if then doubled, it is strong enough to suspend a weight of 36 pounds.

Peculiar, too, is the texture of the paper. It has a crisp feel, invariably the same, and such that bank clerks of experience can readily detect forgeries by this test alone. Then the wire mark, impressed in the making by a frame, costly to make and difficult to use, is practically inimitable. Each note has thin, rough edges, uncut, not to be produced by any mode of cutting paper that is not made expressly for the purpose.

The paper for printing is dampened with water in the exhausted receiver of an air pump. The ink used in the plate printing is made of Frankfort black, which is composed of the charcoals of the tendrils and husks of the German grape, ground with linseed oil. This ink has a peculiar and very deep shade of black, common black inks being tinted either with blue or brown.

Currency Associations

Washington, December 31.—Completed statistics show that more than 32 per cent of the national banking power of the United States now is represented in emergency currency associations, which Secretary MacVeagh has been urging the bankers to form. Returns show that out of the 7,204 national banks in existence 227 of them are members of currency associations, but that small number represents \$542,024,720 of capital and surplus.

The capital of all the banks in the associations is \$288,954,710 and under the Aldrich-Vreeland law they are authorized, in event of an emergency, to issue that amount in notes, which already have been prepared. The law provides that at no time shall the issue of emergency currency exceed \$500,000,000.

Dividend for Allegheny Bank Creditors

The comptroller of the currency declared an eighth dividend to the creditors of the Allegheny National, of Pittsburgh, of 8 per cent, or \$127,445.81 on claims proved amounting to \$2,548,913.16, making total dividends paid of 85 per cent. This bank was closed May 18, 1908.

Editorial Comment

What Illinois Needs

If Illinois had a law safeguarding the business of banking we would not have a Cosmopolitan "bank" issuing millions in certificates of deposit, based upon wind, and traded off for anything from a bull pup or a bicycle to a livery stable leasehold or an ancient grand piano. We would not have the Jankovitch and the Butler scandal, where boys of 22 years open "banks" and make clean sweeps of the deposits.

Alabama and Arkansas are up in arms, their state associations are fighting for the passage of legitimate banking laws, to protect the public.

In Illinois the association has raised no great smoke in its efforts to put an end to wildcat banking. In very truth the association for twenty years has secretly worked against the passage of any law limiting the depredations which may be committed upon any unprotected community under the name bank. Ex-convicts can open a "bank" in Illinois and can call it "The Peoples Trust and Savings Bank" or "The Security Savings" or any other misleading title and there is no law to stop them. There are no requirements as to capital, character, ability, desirability or safety—positively none. One act was slipped through—the Hurd statute—preventing the use of corporate titles by private or unincorporated parties, but the courts construed it that the law only forbade actual deception by statement or otherwise. In short the law was nullified in favor of the wildcats.

Two of the five states in the same condition of Illinois have decided to pass drastic reform laws, the kind that always follow ill advised resistance to needed reforms. Alabama has been in Chaos so far as banking regulations are concerned, but her state association always has favored the establishment of a state banking department with supervisory powers. The association will meet in Montgomery on January 18th to act in a body with the legislature which then will be in session for the passage of a new banking act. Many of the reforms asked for have been printed in THE CHICAGO BANKER but in the "final draft," sent out by secretary McLane Tilton, over the seal of the state association, some new restrictions have been provided.

We remember two swindling private banks, but flaunting famous national and international titles, which opened not long ago on Dearborn Street, Chicago, one with furniture bought on the installment plan and the other with rented fixtures. They lasted but a few months and the loss in each case was total. Notice how such persons would fare under the proposed new Alabama law.

Private Banks

Page 50. Sec. 26. From and after the passage of this act, no individual or individuals or partnership shall commence the

The Chicago Banker

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406-7-8-9 Monadnock Block, Chicago

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

carrying on of the banking business without first giving notice of intention to organize and carry on such business by publication at least once a week for four successive weeks in a newspaper to be designated by the superintendent of banks published in the city or town or county where such bank is proposed to be located. Such notice shall specify the name or names of the individual or individuals proposed to be interested in such bank, what interest each will have, the amount of the capital proposed to be used in the proposed banking business, the name under which and the place where the business will be carried on, and the bona fide cash value of the assets and property of each individual to be interested in the bank, over and above all indebtedness. Copy of such published notice shall be served on any bank or banks in the community and affidavit shall be made and filed with the superintendent of banks, and the superintendent of banks shall investigate and ascertain whether the character and general fitness of the individuals named are such as to command the confidence of the community in which such bank is proposed to be located, the same as is required preliminary to the incorporation of a bank under the provisions of Sec. 24 and Sec. 25 hereof.

The superintendent of banks may refuse a permit if any one of these precautions are evaded. The only recourse is to the courts and all the objectors are to be heard. Could Jankovitch, or Butler or the Cosmopolitan have had even a look in under such a law? Then after they do open up there are regular and rigid examinations and published reports. Banking is made incomparably safer if the bad ones never are allowed to start. What Illinois needs is just such a law.

Deferred Action Hurts the Public

John J. Mitchell, president of Illinois Trust and Savings Bank, in a statement to a representative of THE CHICAGO BANKER, deprecates the Interstate Commerce Commission's delay with reference to freight rates and shows how this deferred action is hurting public interests. Mr. Mitchell is accustomed to weigh his words carefully and his views are worthy of consideration.

The railroads are the greatest buying power in the country and when they adopt a policy of retrenchment all business is more or less injured. It is not necessary to take sides for or

against the railway companies to understand the need of more prompt action by the government's representatives. A decision one way or the other regarding the proposed advance of freight rates is highly desirable, so that business interests may know where they stand.

The Interstate Commerce Commission has too much work, if it is required by law to spend month after month in studying the business of running railroads. In all its work since the beginning it has been hampered by the endless details of railroad affairs and on this account it is always behind. There is no branch of government work that needs to be more promptly and vigorously pressed to a conclusion than these investigations of railway affairs.

It has been somewhat popular to side against large corporations in everything, but in the main the American people are for fair play. The best information obtainable is that the railway companies stand in need of a moderate advance in rates. They feel the higher cost of labor and all other operating expenses. This fact is at once apparent. It may be set down as settled that there will be little railroad construction in the West until the roads are able to show larger earnings.

Exports and Prosperity

Without large and continual exports the prosperity of this country would come more and more into doubt. Exports cannot be maintained without producing larger crops. The unoccupied land has been reduced to a comparatively small area and as the population of the United States is steadily growing, it is easy to imagine a state of affairs wherein we will not have flour enough for home demands without becoming importers.

The call is for an increase in agricultural production that equals or exceeds the actual increase of population, including the immigrants and the temporarily high birth rate of the foreign born. But, notwithstanding the fact that this difficulty is greater in the United States than it is in all other countries that have practically ceased to take much new land into cultivation, many of the states of this nation are each maintaining an increase of production in the case of one or more prominent crops that is greater than the actual increase of population.

Better farming is needed as well as an increased acreage. Exports of wheat might easily be double what they are from the land already under cultivation in America.

New Banking Law for Illinois

One of the best of the many good features of the new banking laws proposed for Alabama and Arkansas (now the law in many states) is that giving the commissioner of banking the power to refuse a bank charter for cause. Illinois has a

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MINNEAPOLIS, MINN.

The Bank of Security and Service.

THE MINNESOTA LOAN AND TRUST COMPANY,
Capital and Surplus \$1,100,000.00, is affiliated with this bank.

Combined Capital and Surplus, - - - \$6,300,000.00

confessed bribe taker, a senator if you please, just opening a state bank at Iuka. This senator, then a private banker, swore in court that he had accepted as a bribe for his vote in an important matter, the sum of \$2,500. The money was paid over in a notorious public drinking place in Chicago. The senator has been indicted in two counties and yet he could take out a state bank charter without a question. If he will remit his dues he can become a member of the Illinois Bankers Association and sit with the very elect in their deliberations for the welfare of the state and the uplifting of the profession.

The new constitution, or the old one "revised and rejuvenated" should have a qualification clause for use in such cases. The new Illinois banking act should give the new banking department discretionary powers. Not under any modern banking law could D. M. Holtslaw embark in a business which he dishonored and disgraced.

Tells of Better Conditions

Addison Corneau, assistant cashier of Western Trust and Savings Bank, made a trip to Springfield last week, where he found a decided improvement in business conditions. This change for the better is explained by the settlement of labor troubles at the coal mines and by the large corn crop. The Springfield district occupies an important position in mining and the city is a financial center for a number of large corporations. It also is one of the best farming markets in the state. Farmers in that region are among the most prosperous in the world. Mr. Corneau states that financial men at the capital are confident the new year will be one of prosperity.

New Bank War on Crime

Frequency of bank burglaries has brought financial men of Illinois into a new war on crime. Pestered by yeggmen until patience has ceased to be a virtue, numerous bankers in the smaller towns of this state are in a move to secure increased protection. Their first step in this direction is to add to the safety of their buildings and enhance the character of their equipment.

This movement is the result of correspondence started by Secretary R. L. Crampton of Illinois Bankers Association, who has ascertained that the cheapness and inadequacy of safes, vaults, and buildings in many interior towns are proving to be a direct invitation to burglars. This fact is readily and generally admitted by bankers, a majority of whom are believed to be in favor of a sufficiently increased investment to place their institutions on a safer footing.

It is thought that orders will be ready by the end of this winter for from fifty to one hundred new vaults and safes of high type. Inquiry already is being made among manufacturers and dealers and it is supposed that patronage on so extensive a scale will secure unusually favorable rates.

Burglar insurance is carried by nearly all bankers and while this may be sufficient to reimburse them for the money actually carried off when a robbery has been committed it does not recompense for the stoppage of business, the waste of time in securing repairs to equipment and the annoyance of having to conduct a campaign against the criminals. In many cases a bank's credit is injured by a robbery and nothing can reimburse it for this, accord-

ing to the views of men who are in the new move to place stronger safeguards around their establishments.

Secretary Crampton while ably assisting in the development of all new plans for fighting crime is an earnest advocate of burglary insurance, claiming that it should be the first step with every banker. An adequate insurance has a good moral effect on a community when the question of a bank's solvency is raised after a robbery has been effected. It is felt, however, that nearly all of the smaller banks can improve their position by adding better equipment and improving their buildings.

Yeggs Fail to Blow Safe

An attempt to rob the Farmers Banks at Strasburg in Cass county, seven miles east of Pleasant Hill, Mo., last Saturday morning failed. The door to the vault was blown off, but several shots failed to move the door of the safe inside.

Several persons heard the explosion but nobody paid any attention until the discovery of the attempted robbery this morning when the bank opened for the day. The damage to the vault and safe is about \$300. There was \$3,000 in the safe.

Burglars, who blew the safe of the People's Savings Bank at Britton, Mich., early last Friday, fled from town without any booty, pursued by a large posse of citizens, with whom they exchanged shots freely. Pursued and pursuers seized hand cars and raced down the railroad to a wooded tract near Maybee, where the robbers left the railroad and disappeared in the woods.

Two suspects, who had a gun and a kit of burglars' tools, were arrested near Azalia and locked up at Monroe. They gave their names as James Mira of Flint and George McDonald. Another suspect who refused to give any name, was arrested near Adrian.

Both the Car And the Price Are the Sensation of the Season

Westcott 45-50

7 Passenger Touring Car

Model G, Fore-Dore body, equipped with two side and one tail oil lamps, two solar gas lamps and Prest-O-Lite gas tank, robe rail and foot rest, complete set of tools including jack, pump and tire repair kit, battery and tool boxes.

\$2,250

We also make the

Westcott 45-50

5 Passenger Touring Car

Model F, with regular Touring body. Equipped as specified above.

\$2,000



Westcott 40-50

7 Passenger Touring Car

'Fore-Dore Body, Model G \$2,250

The Absolutely Dependable Car

The Car That Ends the Era of Artificial values

It would be the sheerest folly to approach the motor car buying public in these days of strenuous competition in moderate priced cars with anything but absolutely the best value for the money ever offered.

Measured by perfect motor car satisfaction—appearance, durability, dependability, performance and economy in up-keep—the *Westcott 45-50* is the best motor car value money can buy and the greater your knowledge of motor cars, the keener will be your appreciation of this, the car that ends the era of artificial motor car values. No car like it has ever been sold for less than \$3,500.

Easy on Tires

The *Westcott 45-50* is equipped with 36x4 Diamond tires that will give you the very best tire service.

The big 36 inch wheels assure wonderful road-smoothness and the splendid semi-elliptic spring equipment makes easy riding and saves the wear and tear on the machinery. You can ride all day, every day, with comfort.

Not a One Feature Car But a Car of Proven Essentials

The *Westcott 45-50* is a consistently balanced combination of proven essentials—strength, simplicity, absolute silence, light weight, high power, perfect lubrication, easy manipulation—a car in which the strength and efficiency of no one feature has been sacrificed for any other—in which speed has not been sought at the expense of comfort, safety and economical up-keep—yet there is always an abundant reserve power to climb the steepest hills, without perceptible effort or to do

50 miles an hour, when the road permits, and at a minimum of operating expense.

It Looks an "Aristocrat"

—and it is, too, in all save price and we make no apologies for that. Any car now selling for \$3,500 if built in the *Westcott* factory by the *Westcott* labor saving economical methods, could be sold at the price of the *Westcott 45-50*—if the makers were satisfied with the *Westcott* profit per car.

If your ideal car has been one costing \$3,500 to \$5,000, a revelation now awaits you. In appearance and style

the *Westcott 45-50* is distinguished in the company of the most expensive cars. Its perfect, silent mechanism, graceful, racy outlines, richness of finish, its interior and exterior refinements are those you have hitherto regarded as distinctive of and exclusive in the very highest priced cars.

Easy to Manipulate

It has none of the anxieties or burdens of the average, heavy touring car. It is roomy and luxurious, but not ponderous. You don't feel the weight. It has the feeling of flexibility of the small motor car and all the independence of action that goes with it.

Each Car Sold Sells Others

Our claims for this car are broad and your guarantee that this car is all we claim for it is the reputation of its manufacturers—for many years one of the largest and best known makers of vehicles in the world, composed of men with national reputations for creating

the best, regardless of cost. Such a firm could not afford to stake its reputation and invest millions of capital in any car that was not predestined to be a success from its very first inception—unless each car manufactured was so thoroughly satisfactory to its user that it sold others—and lots of them.

You cannot get more than the *Westcott 45-50* offers, no matter what you pay for it. That's why the *Westcott 45-50* is a startling innovation. If you are thinking "motor car" this year, it will pay you to completely satisfy yourself that it is utterly impossible to buy a better built car at any price. It is the ideal car that meets the requirements of family and business as no other car can.

Write today for complete literature, specifications and the name of a local dealer who will gladly give you a demonstration without imposing any obligation upon you.

Westcott 1911

45-50

This means more mileage, more service every day in the year, under all sorts of conditions.

Simple in Construction

Simplicity is not merely avoiding a multitude of parts parts simple in themselves can be

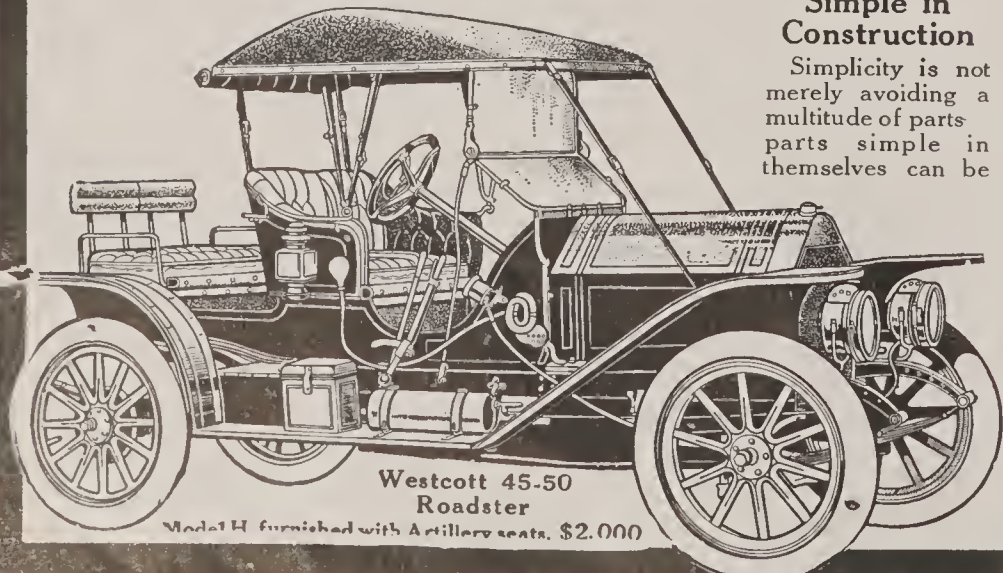
put together so as to cause complicated methods of operation. Everything connected with its operation is simple—nothing cumbersome—everything easily accessible—readily removable—means dependability, long life, economical up-keep.

1911 Westcotts Larger—More Powerful

It has a 45-50 h. p., 4 cylinder, 4 1/2 inch stroke, 5 inch bore, Rutenber motor—the cylinders are cast separately and individually mounted on crank case of special aluminum alloy, making it the best, most durable, most silent engine ever put into a motor car.

36 inch Artillery wheels, with quick detachable rims and 4 inch Diamond tires—120 inch wheel base—an increase of 8 inches, giving a longer, roomier body and tonneau that seats 7 passengers. The most perfect lubricating system ever devised. Two complete ignition systems—Remy magneto, of course. Timken Roller Bearings throughout. Five bearings to crank shaft. Timken Full Floating Axle. Two sets of brakes. Selective sliding gear transmission, three speeds forward and reverse. Latest improved leather faced cone clutch.

WESTCOTT MOTOR CAR CO., Sales Dept.
INDIANAPOLIS, IND. Factory, Richmond, Ind.



Westcott 45-50 Roadster

Model H, furnished with Artillery seats. \$2,000

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Creation of a Gold Depository by Kansas City Banks

In preparing this paper relative to the creation of a gold depository by the Kansas City Clearing House Association, and in taking advantage of Mr. Allendoerfer's kind request, I have endeavored to make this discussion as brief and concise as possible.

I have tried to bring before you the kindred facts materially affecting its character and those essential to be known to have a correct understanding.

As reported in the December Bulletin of the American Institute of Banking, the monetary wealth of the United States on July 1, 1910, amounted to nearly three and one half billion dollars; of this amount \$1,635,000,000 was in gold coin and bullion. Approximately speaking sixty per cent of this held in the treasury and forty per cent was in circulation. The gold coin held by Kansas City banks at that time was estimated at a little over four million dollars. I have presented these figures for your consideration, so that you may have an idea of our holdings as compared with the actual amount in circulation, also as this coin was the principal reason for effecting the introduction of a gold depository here. Nothing has so emphatically demonstrated the necessity of a more efficient method of settlement of clearing house balances, than has the presence of this coin. It has had a known and experienced connection with such settlements.

The question then arises, what are the functions of this coin. The percentage paid out over the counter is not large enough to consider and very few requests are received from country correspondents to ship gold, consequently this kind of money has a tendency to accumulate, augmented to some extent by incoming shipments and individual depositors.

Prior to the clearing house rule which created a gold depository, I believe that about ninety-five per cent of the gold held here adorned the reserve safes of our clearing house members.

The banks have from time to time shipped gold to their Eastern correspondents at St. Louis, thereby creating exchange at an expense of sixty-five cents a thousand. This of course was usually done when the premium on Eastern exchange was greater than the cost of shipping and when currency was not available. But the receiving banks can only handle a limited amount of gold on account of the abrasion that this kind of money suffers. (By abrasion I mean a loss of weight, and the loss of weight to gold means a loss of value.) So you can readily see that they can afford to absorb only a reasonable amount of loss when any occurs. To remove this difficulty it follows that the shipping bank in making up such shipments use the larger coin when possible, for the 20's and the 10's suffer less abrasion in handling than do the smaller coin.

Taking the foregoing into consideration you can understand that the use of gold for the creation of exchange, is only under certain conditions an economical proposition.

This then brings us to consider the large local function of gold coin, which was the important factor in the creation of a gold depository in this city. Our banks have used

An interesting paper read before the Kansas City Chapter by W. J. Doughty, Auditor of the First National of that City

gold to a noticeable extent in payments of clearing house balances. This brought about constant complaints by several members of the association, on account of the occasional short weight gold and the difficulties arising therefrom.

I wish to state here that the settlement of clearing house balances is a matter which should be carefully considered, for the proper management of such settlements will do a great deal toward enhancing the banking facilities of a community.

The complication then of circumstances so intimately interwoven as to be hardly separable from each other created a situation that required some attention.

It was these conditions that caused the submission of a measure touching upon the mode and manner as to the use of gold for clearing house settlements. Mr. Thralls drew up and presented to the Clearing House Association a plan to remove this precise difficulty.

The plan as it was presented, was sufficiently attractive as to induce its adoption, and it provides a satisfactory and economic method whereby gold can be used for the liquidation of such indebtedness. It is based on expediency and attaches itself to the local circumstances. In this respect the essential parts of the plan are so connected as to be incapable of separation.

The rules creating a gold depository are as follows:

1. This association shall receive on deposit, in special trust, such United States gold coin of standard weight and fineness, or United States gold certificates, as any member of the association may choose to send to it for safe keeping for clearing house purposes, which coin and United States gold certificates shall be kept in such safe deposit vaults as may be selected by the clearing house committee, subject to the approval of the association.

This rule tells us exactly what is to be received in this depository, and also provides a place for keeping such deposits. The association rented a safe deposit box at the Fidelity Trust Company for this purpose.

2. Certificates in lieu of such deposits shall be issued in denominations of 5 and 10 M. dollars, and shall be signed by the president of the association, chairman of the clearing house committee, and manager, or, in the absence of the president, by the vice-president, and in the absence of the chairman of the clearing house committee, by any member designated by the committee.

This rule says what shall be given in return for the deposit, also as to the necessary signatures on the certificates.

3. Such certificates shall be negotiated only among members of the association and shall be received in payment of clearing house balances.

4. The coin and gold certificates, thus placed in special deposit, shall be the absolute property of such of the members as shall from time to time be holders of the clearing house certificates, and are to be held subject to withdrawal on presentation to special committee (consisting of manager and any two members of the clearing house committee) of certificates, properly endorsed, at any time during banking hours.

These two rules relate to ownership and convertibility.

5. Settlements of clearing house balances shall be paid in currency, clearing house gold certificates, or United States gold coin, of standard weight and fineness; and a member receiving gold coin may deposit same with the clearing house committee, and the paying members shall settle promptly for any light weight coin, or short count, reported by said committee.

This rule relates to the use of the certificates, and also the condition under which gold itself can be used for such purposes.

6. This association shall be responsible for the safe custody of all gold coin or United States gold certificates which may be so deposited with it, and for its return to certificate holders when demanded.

7. Gold coin or United States gold certificates held by the association, for which clearing house certificates have been issued, shall be counted and reported upon at least once a year by a special committee appointed by the president.

8. Should any loss occur while such coin or certificates are in the custody of the association, such loss shall be borne or paid by the member or members found responsible therefor by the clearing house committee. But if the responsibility for the loss cannot be so fixed and determined, the same shall be prorated among the members of the clearing house on the basis of the respective total footings of their last official published statements, preceding the discovery of such loss.

9. The manager and each member of the clearing house committee shall have the combination to safe deposit vaults or boxes where such gold coin or certificates may be stored, but access thereto shall only be permitted by owner of such boxes or vaults when not less than two members of such clearing house committee appear in person, and who shall be personally known to the manager of the safe deposit vaults.

These four clauses provide for the responsibility, care and protection of the plan.

10. Any member of the Clearing House Association who shall pay or deliver to any party, other than a member of the association, a certificate of deposit issued by the Clearing House Association shall be subject to a fine of one hundred dollars (\$100.00.)

This last clause may not appear to be indispensable, yet it creates an obligation and places the banks under the degree of protection it has undertaken to bestow.

These rules went into effect on August 10, 1910, and the gold that was used as payment

(Continued on page 29)

The LIVE STOCK Exchange National BANK of CHICAGO

Capital Stock \$1,250,000.00 Surplus \$400,000.00

OFFICERS

W. A. HEATH, President
G. A. RYTHUR, Vice-President
J. A. SPOOR, Vice-President

G. F. EMERY, Cashier
A. W. AXTELL, Assistant Cashier
H. E. HERRICK, Assistant Cashier

DIRECTORS

J. Ogden Armour
W. A. Heath
G. A. Ryther

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J. A. Spoor
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WE INVITE YOUR BUSINESS

A Strictly Commercial Bank



Bill-of-Lading Drafts

New York and Out-of-Town Banks, Bankers and Institutions

Seeking a convenient and serviceable New York Depository, are invited to consider the careful and thorough service, and cordial co-operation we offer for the accurate dispatch of all business entrusted to our care—which is attested by the large and constantly increasing number and high character of our correspondents and depositors.

Irving National Exchange Bank Resources Over Thirty Millions

OFFICERS

LEWIS E. PIERSON, President
JAMES E. NICHOLS, Vice-Pres.
ROLLIN P. GRANT, Vice-Pres.
BENJ. F. WERNER, Vice-Pres.

HARRY E. WARD, Cashier
DAVID H. G. PENNY, Asst. Cash.
RICHARD J. FAUST, Jr., Asst. Cash.
J. FRANKLYN BOUKER, Asst. Cash.

West Broadway and Chambers Street, New York

Pacific Northwest Banking News

Spokane, Wash., January 4.—James J. Hill, chairman of the board of directors of the Great Northern Railway Company, while in Spokane on December 20th said that the state of Washington, and more especially the eastern part, will be the scene of a large influx of desirable settlers the coming spring and with them, he added, is bound to come considerable capital. He announced also that his company will expend hundreds of thousands of dollars in and near Spokane just as soon as the city and railroad can make arrangement for the separation of grade. He added: "There is no better city of its size in the country to-day than Spokane."

This view is shared by Julius Kruttschnitt, vice-president and director of maintenance of the Harriman system, who passed several days in Spokane, who announced that the work in Spokane on the North Coast Railroad, the largest undertaking on the line operated by the Oregon-Washington system, will be completed inside of the specified time. Mr. Kruttschnitt was in Spokane to arrange for the transfer of the North Coast Railroad Company's property to the Oregon-Washington Railroad and Navigation Company. He was accompanied by W. W. Colton, counsel. The North Coast Railroad Company, of which Robert E. Strahorn of Spokane was president, absorbed in the merger ceased business at 11:59 o'clock in the evening, December 23d.

A. W. Doland, retiring president of the Spokane Merchants Association, reported at the annual meeting of that organization that 1910 was the best business year in its history. R. C. Dillingham was elected president for 1911, J. B. Campbell being retained as secretary. The association has 105 active members, representing every line of business in Spokane.

Taxable Property has Increased

J. E. Frost, chairman of the state board of tax commissioners, said in Spokane on December 22d the assessed valuation of property in Washington has trebled since 1900, the total for 1910 being \$907,000,000. The population doubled in the last 10 years. He added that the value of stock and money of banks and bankers has increased more than 400 per cent in five

years. Six million acres of land is under cultivation, as against 3,600,000 in 1906. He added: "As the ratio of assessed valuation to the actual value of property in the state is approximately 37 per cent, it appears that the real value of tangible property within the state is \$2,450,000,000. This does not include money and other intangible property, such as notes, stocks (excepting those of banks,) bonds, mortgages and other evidences of indebtedness. The actual wealth in Washington is more than \$2,100 per capita."

Statement of Trust Company

R. Lewis Rutter, secretary and manager of the Spokane & Eastern Trust Company, has prepared a preliminary statement, showing that this concern handled a total of \$249,375,138.64 in the various departments in 1910, an increase of \$50,000,000 over 1909. The items follow: Individuals, \$91,997,915.47; time certificates of deposit, \$390,211.81; demand certificates of deposit, \$1,979,933.38; escrows, \$1,590,632.70; warrants, \$1,429,610.72; mortgages and real estate, \$1,627,163.33; bills receivable, \$15,621,722.42; savings deposits, \$1,858,278.27; trust department, \$1,260,144.25; out of town banks, \$42,287,212.13; remittances, \$30,605,405.96; insurance department, \$19,990.24; rent, \$27,414.03; reserve banks, \$57,238,821.13; bonds, stocks and other securities, \$1,432,981.80, total, \$249,375,138.64.

Big Bond Deal Negotiated

Speed and precision marked the handling of a bond issue of \$1,000,000, bearing 6 per cent interest, to run five years, for the Idaho & Washington Northern Railway Company by the Guaranty Trust Company of New York, through the Spokane & Eastern Trust Company. Within 48 days after F. A. Blackwell, president of the company, had taken up the matter with the bank the money was at his disposal. Herbert Witherspoon, trust officer of the bank, negotiated the deal, the Guaranty Trust Company being represented by L. B. Franklyn, vice-president, who made a personal inspection of the property. Mr. Franklyn was so favorably impressed with the Inland Empire

that it is believed his company will make additional investments in this district. The system, operating through the Pend Oreille valley in Eastern Washington and Northern Idaho, 115 miles, with an entrance to Spokane over the Spokane International road, is declared by railroad men to have the best roadbed and equipment of any line in America, length considered. The company has just completed 10 miles of road from Lone to Metaline Falls, Wash., a new manufacturing town, at a cost of almost \$1,000,000, part of the road bed being hewn out of solid rock. Mr. Blackwell owns several townsites and lumber mills in Northern Idaho and is rated a millionaire.

One hundred and thirty-three residents of Spokane own property in Spokane and the district aggregating a value of \$58,000,000, according to a compilation made by The Chronicle. Of these 21 are designated as millionaires, 28 each have wealth of more than \$500,000 and 81 possess a quarter million dollars or more.

Bank Clerks Well Remembered

Employees of Spokane banks were well remembered at Christmas time in the way of gifts, between \$10,000 and \$12,000 being given them by their employers as presents for faithful work. Gifts of 10 per cent of the year's salary were given by the Spokane & Eastern Trust Company. The Old National gave each employe 25 per cent of a month's salary in gold coin. The Exchange National gave gold coin in accordance with the salary of the employee and in addition a \$10 gold piece for each year the employee had been with the bank. Several employees drew more than \$100. The Traders' National gave a gold coin in accordance with the salary and position of the employee. The National Bank of Commerce gave each 10 per cent of a month's salary. The Fidelity National, Northwest Loan & Trust Company and Scandinavian-American bank each gave their employees suitable gifts in gold. The Washington Trust Company gave all employees 5 per cent of a year's salary, allowing the employee to draw 25 per cent the first year, 50 per cent the second year and 75 per cent the third, and after

the fourth year to draw it all with 6 per cent interest on all remaining in the bank after the first year. The smaller banks also gave gifts in gold coin.

Old National Opens New Home

Bankers from various parts of the Pacific Northwest and thousands of residents of Spokane and the tributary district attended the reception at the opening of the Old National Bank's new quarters at Riverside Avenue and Stevens Street, the evening of December 31st. The big structure was illuminated from cellar to pent-house. W. J. Kommers, assistant cashier of the bank, who had charge of the construction of the building had charge of the celebration, the reception committee including D. W. Twohy, president; W. D. Vincent cashier; J. A. Yeomans, W. J. Smithson, Levi Ankeny, F. A. Blackwell, J. D. Farrell, T. L. Greenough, J. P. Graves, P. Welch, J. B. Porter, August Paulsen, John Twohy, W. J. C. Wakefield, Thomas Wren, Fred B. Grinnell, T. J. Humbird and J. P. McGoldrick.

Many Improvements Made by Spokane Banks

Spokane banks expended more than \$1,500,000 in improvements of their places of business during 1910. Of this amount about 66 per cent was expended by the Old National, which formally opened its new quarters at Riverside Avenue and Stevens Street the evening of December 31st. The rest was spent by the Traders' National, The Spokane & Eastern Trust Company, the Union Trust Company, the Northwestern Loan & Trust Company and the Washington Trust Company.

Chapter Dance

Spokane chapter of the American Institute of Banking, entertained 40 couples at a dancing party in the Hall of the Doges, the evening of December 27th. The assembly room was decorated with red and green, done with poinsettias, and with quantities of foliage banking the balconies and the pillars. Julian O. Tiffany, Arthur S. Blum and Charles A. Ham had charge of the arrangements.

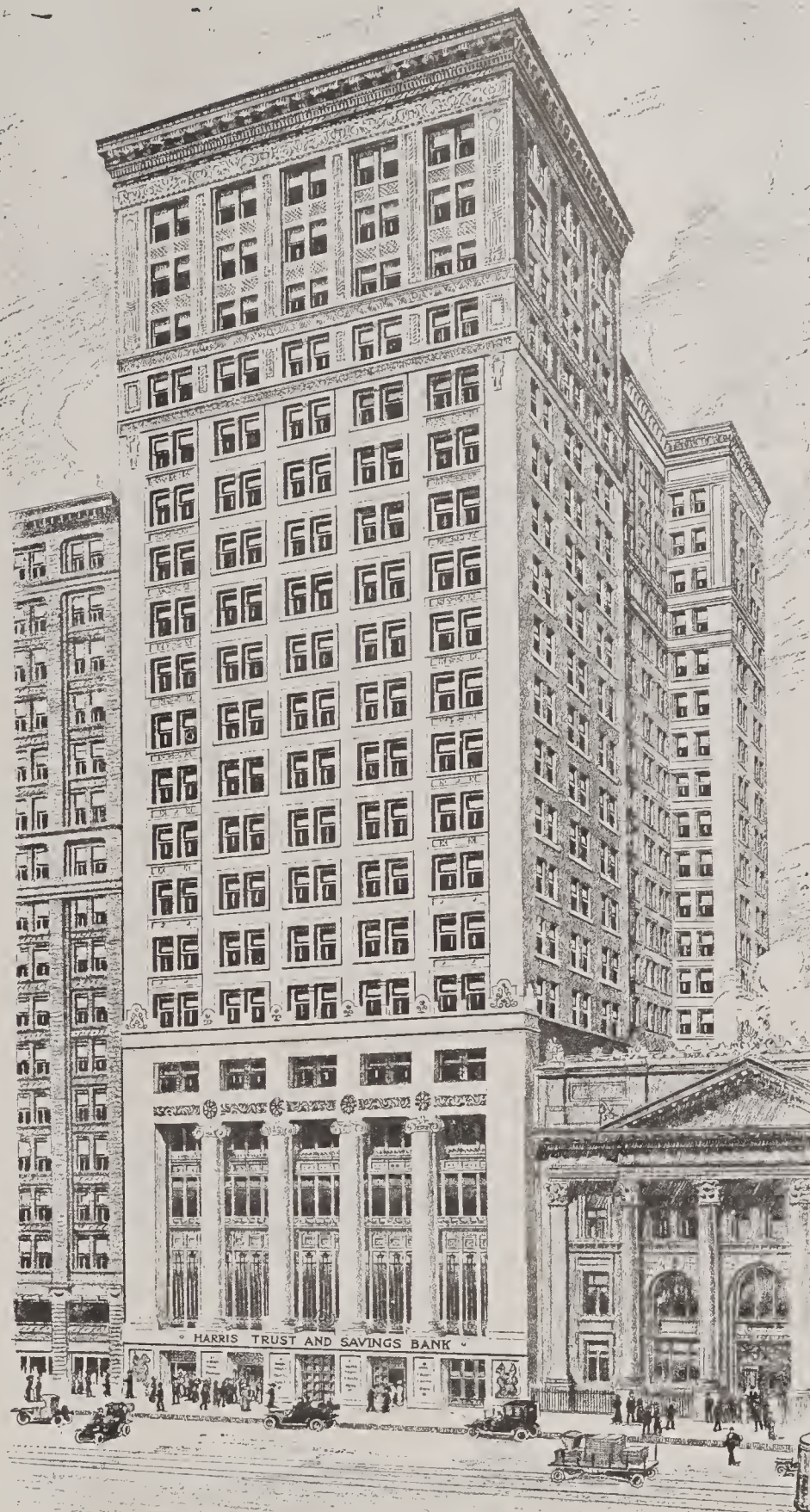
Banking Notes

R. W. Butler, auditor of Spokane county, shows in a report that the total assessed valuation of the county for 1910 is \$112,182,535, as against \$82,294,525 in 1909. This is based on an assessment of 60 per cent. The valuation of city real estate and improvements for 1910 is placed at \$70,879,442, against \$52,990,104 in 1909.

State banks in Washington increased their deposits more than \$3,000,000 in the period between September 1st and November 16th, according to the latest report of the state bank examiner. The increase in total deposits was almost \$10,000,000. Spokane county was a good second to Seattle in the total standing with \$11,886,771, while Pierce county, or Tacoma, came third with deposits of \$7,314,352. Seattle had \$34,986,898.

National banks in Spokane paid dividends on January 3d. Stockholders in the Old National draw a quarterly dividend of 2½ per cent, amounting to \$25,000 on a capital of \$1,000,000. The Exchange National paid a quarterly dividend of 3 per cent, \$30,000 on its capital. The Fidelity National paid a semiannual of 4 per cent, \$8,000 on its total capital of \$200,000. The Traders' National paid 7 per cent, \$70,000 on its capital, in the form of a semiannual dividend.

First National of Walla Walla, has instituted suit for \$10,558.50 in the superior court of Walla Walla county against the Inland Auto Company and John Lamb on two notes past due. Lamb was a prosperous farmer before he engaged in the automobile business. The concern failed and the president became clerk in a cigar store.



Special Banking Services

THIS bank makes a specialty of handling inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment or circulation purposes. ¶ During the past twenty-eight years its officers and directors selected and purchased, after careful investigations, over **one thousand million dollars** of bonds, which have been sold to a constantly growing list of conservative clients. ¶ In buying bonds of this institution the investor secures the benefit of the extensive experience and trained judgment gained through the selection of this large amount of safe investment. ¶ The special character of our business permits of liberal interest terms on inactive or reserve accounts of banks, bankers, corporations, firms and individuals.

Harris Trust and Savings Bank

ORGANIZED AS N. W. HARRIS & CO. 1882. INCORPORATED 1907

204 Dearborn Street, Chicago

AFTER MAY 1, 1911, WILL BE LOCATED IN NEW HARRIS TRUST BUILDING



MECHANICS-AMERICAN NATIONAL BANK

OF ST. LOUIS

CAPITAL \$2,000,000 SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
L. A. BATTAILE, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

J. A. Lewis, cashier of the National Bank of Commerce, can see nothing ahead for St. Louis except easy money. "I believe," said Mr. Lewis, "that we will have low rates for at least three months, and that is about as far ahead as it is of any value to predict. However I can see nothing likely to happen in six months which will materially strengthen the money market. This year, in my opinion, will be a rather quiet and routine one. I don't look for any great activity, nor, on the other hand, any business depression. It will be a sort of average year, wherein the cautious and conservative can build their fences strongly, either to meet depression should it come in 1912, or get in shape to reap a goodly harvest if it proves prosperous. The banks in this region, in all likelihood, will earn their dividends easily, and perhaps put aside something besides, but there will be no great building up of surplus accounts. We have had large crops, and basically the entire middle and Southwest is strong, probably stronger than ever before, but a more conservative policy has been adopted, and the number of new enterprises is less. This is especially true of railroads, but some concessions in the way of rates by the Interstate Commerce Commission, would cause considerable revival in that line. The easy rates just now are due to a falling off in manufacturing and general commercial activities. The banks are pretty well stocked with funds, that is in the large centers, but country institutions are pretty well loaned up. There is one thing, though, which is that last year at about the same time everyone thought there was going to be a long period of very easy money, but the contrary turned out to be the case. The general situation is much more solid and staple now than at the first of 1910, and a sudden wave of activity may spring up at any time, and sweep away all prospects for easy money."

Oklahoma Bankers Want Change

Advices from Guthrie, Oklahoma, are to the effect that bankers of that state are looking for some needed reforms to result from the present meeting of the legislature. The bankers are determined to have the much desired amendments to the bank guaranty law, and to that end have held several conferences with Governor-elect Cruce during the past week at Ardmore. They want the members of the state banking board to be bankers only, to have the department eliminated entirely from politics of a partisan nature, and that the general business qualifications of a banker be considered rather than party affiliations. Since the passing of the law Oklahoma financiers have been harassed in various ways by its imper-

fections, and are weary of having their business dominated by politicians who know absolutely nothing, or little at best, of banking.

German Savings Dividend

The German Savings Institution was one of the prosperous banks last year, and its prosperity took tangible form in the increasing of its dividend rate from 16 to 20 per cent. The first 5 per cent quarterly was paid to the stockholders this week. The capital stock of the bank is \$500,000. Its last statement showed a surplus of \$1,343,000, and this will be increased to approximately \$1,400,000 after the increased dividend has been paid. There is a vacancy on the board of the German Savings Institution, which will be filled at the annual election on January 9th. The last quotation in the open market for the shares of this bank was a bid of \$485, with no offerings.

Will Handle Small Loans

Tom W. Bennett, president of the Mortgage Guarantee Company, is organizing a company to handle small real estate loans, ranging from \$500 to \$5,000. In a large measure the new company will be auxiliary to the Mortgage Guarantee Company, and both will guarantee both principal and interest of loans handled. The new corporation will have a capital of \$500,000, and the shares will be offered first to the stockholders of the Mortgage Guarantee Company.

1910 Best Year in History

St. Louis, January 3.—Local banking institutions transacted more business in 1910 than in any twelve months in the history of St.

Louis. This statement is attested by the bank clearings for the year, and also by the financial condition of the banks and trust companies, as made to the Missouri secretary of state and to the comptroller of the currency at Washington.

With a few exceptions, all the banking institutions under the items of deposit, and surplus and profits, showed handsome gains. Some of the institutions have declared extra dividends the past year, with a couple more about ready to do likewise. Besides this, two have increased their dividend rate, with rumor of another to do so shortly.

Many of the banks and trust companies of this city transact considerable business outside of St. Louis. They have been doing this a great many years, but of late this business has expanded considerably, and is now expanding in a greater ratio. St. Louis institutions now do a great deal of business through the state of Missouri, Kansas, Oklahoma, Arkansas, Louisiana, Texas and the Southwest generally.

"Those who criticize St. Louis and call it 'ultra-conservative' are apt to forget that the dangers of rapid progress vary as the square of the speed. At the same time, they show their low appreciation of the safety that goes with deliberate conservatism in business and finance."

A glance at the St. Louis bank statement of November 10th shows that thirty-one institutions, with a combined total capital and surplus of \$84,109,000, had \$288,046,000 deposits. This means that the banks here are using \$1 of their own funds to \$3.50 of the depositors' money, reserves not considered. Against \$288,046,000 of deposits the banks held cash reserves not considered. Against \$288,046,000 of deposits the banks held cash and cash items amounting to \$108,045,000, equal to \$1 of reserve for each \$2.66 of deposits. So that in effect for every \$1.67 of the depositors' money actually in use, the banks were using \$1 of their own capital and surplus funds.

To give data for comparison it will be well to add that the New York clearing house banks, as an aggregate, have \$3.67 of deposits for each \$1 of capital and surplus; about \$1 of reserve to \$4 of deposits, and, excluding reserves, use \$2.70 of depositors' money for each \$1 of their own corporate funds. When the totals of all the New York banks and trust companies are taken, the differences are even more marked, showing that these institutions on the average use \$3 of deposits, excluding reserves, to \$1 of their own capital and surplus funds.

The resources of the home banks amount to \$400,000,000, and is a tower of financial strength, of which any of the larger cities may

FOREMAN BROS. BANKING Co.

110 LASALLE STREET
CHICAGO

CAPITAL AND SURPLUS
\$1,500,000

ESTABLISHED 1862
INCORPORATED AS A STATE BANK 1897

Officers

EDWIN G. FOREMAN, Pres. GEORGE N. NEISE, Cashier
OSCAR G. FOREMAN, V. P. JOHN TERBORGH, A. Cash.



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

Financial institutions can save considerable time and expense by availing themselves of our Bond Department for the selection of investment securities. The Chicago Savings Bank & Trust Company also invites active and inactive accounts.

OFFICERS

LUCIUS TETER, President	JOHN A. McCORMICK, Vice-President	WILLIAM M. RICHARDS, Asst. Cashier
EDWARD P. BAILEY, Vice-President	HOUSTON JONES, Cashier	LEVERETT THOMPSON, Secretary
H. T. SIBLEY, Manager Investment Department		

RESOURCES OVER FIVE MILLION DOLLARS.



well be proud of. This working capital can accommodate at least double the business that the above amount represents, and is doing that right along. Bank clearings for the year were \$3,727,949,379, and showed a gain of 8.3 per cent.

Banking Opinion

John J. Mitchell, president of the Illinois Trust and Savings Bank, was asked by a representative of THE CHICAGO BANKER for his views on the effect of railroad retrenchment.

"The railroads are tied, hand and foot, by the failure of the Interstate Commerce Commission to grant the relief asked for," said Mr. Mitchell, "and the curtailment of buying is having a marked effect on general business. It is not a question of getting cheaper money for construction purposes. That does not enter into the case at all, although money is likely to be more or less stagnant until there is a readjustment of railroad rates and a revival of business in those lines which are affected by present conditions. Increased expense of operation compels the railroads to raise freight rates correspondingly but the commission has interfered with that plan and created a condition approaching demoralization. The commission is hampered by undertaking endless details of work. Under its system of trials and investigations it takes too long to deal with an emergency, and for that reason the country is suffering to-day."

"While the outlook for business is more or less perplexing, general conditions are sound. We have been blessed with fair crops at reasonable prices and the return of business has been satisfactory. With this state of affairs business people are hopeful and even confident of another good year, and with an early adjustment of the railroad trouble I have no doubt trade would at least be normal."

Looks for Moderate Prosperity

Earnest A. Hamill, president of the Corn Exchange National said:

"The bountiful crops, and full prices we are obtaining for them, including that of cotton, would lead one to expect a prosperous year of much activity. The present fact that our exports are again exceeding our imports, in large measure, the fact that we have had a general liquidation of securities, and the excellent condition of our farmers owing to the large reduction that has been made in farm mortgages during the last few years, would also lead to the same conclusion."

"On the other hand, however, there are disturbing elements to be taken into consideration. The national election of 1912, which promises to be one of unusual importance to the country, the unsettled condition of railroad rates, and the suspense occasioned by the delay of the opinion of our supreme courts in the Oil and Tobacco cases, have a tendency to prevent any increased activity among our merchants and manufacturers."

Perhaps the greatest drawback to a year of much activity is the labor trouble that is menacing the world of commerce, especially the manufacturers. There are already evidences of a decline in the volume of trade for the ensuing year; summing up the situation, however, I look for rather a quiet year, not one of unusual prosperity, neither one of disaster. A year of this kind will be of benefit to our country, for there has been a tendency of late, perhaps, of too rapid expansion."

Business on Solid Basis

James B. Forgan, president of First National said regarding the business outlook:

"General business, although shrinking somewhat in volume seems to be on a solid basis, and while a fair year's business may be expected, the large profits in commercial banking which have prevailed in 1910 are not likely to be realized in 1911."

Where the First Coins were Made

Earliest history refers familiarly to the use of gold and silver as a purchasing medium, but the metals were exchanged in the form of bars or dust for many centuries. Even to-day the Chinese prefer their gold and silver in bullion form, states a writer in the Montreal Standard. In the great African desert a sale is for so many ounces of gold dust.

The credit of making the first gold coins is given to the Lydians by Herodotus, and the first silver coins are supposed to have been minted on the Island of Egina, 860 B. C. There are to be found in the various large museums of the world coins of Persia issued 350 B. C. The earliest coins known in Palestine were called Daric, or king's money (from Darius) and were coined 450 B. C.

In the year 139 B. C. Antiochus VII. granted the privilege of coining money among the Jews to Simon Maccabens, and the various pieces are dated "in the first (or second) year of Simon, benefactor of the Jews, high priest."

The earliest Biblical mention of wealth is that of Abraham, when he left for Egypt to return to Canaan, and the 1,000 pieces of silver that Abimelech gave to Abraham for Sarah's use. Abraham bought the cave of Machpelah and weighed to Ephron 400 shekels of silver. Achan stole a wedge of gold weighing fifty shekels.

Bonus for Trust Company President

New York, December 31.—At a meeting of the trustees of the Central Trust Company after dividend action and the voting of \$50,000 bonus to employes, a bonus of \$50,000 was voted to James N. Wallace, president of the company, in recognition of his services. Mr. Wallace succeeded Frederick P. Olcott after the latter's death. He has been with the company since youth, rising to the presidency from a minor clerkship.

Mr. Wallace is also a director in many other companies, among them the Morristown, N. J., Trust Company.

W. A. Gardner in Bank Directory

Stockholders of the Merchants' Loan and Trust Company, in their annual meeting re-elected the retiring directors and elected William A. Gardner, president of the Chicago and Northwestern, to fill one of the two vacancies in the board, caused by the death of Lambert Tree and Erskine M. Phelps. Mr. Gardner is not a director in any other bank. The bank's list of officers and directors is as follows:

President, Orson Smith; Vice-Presidents, E. D. Hulbert, F. G. Nelson and J. E. Blunt, Jr.; Cashier, J. G. Orchard; Assistant Cashiers, P. C. Peterson and S. E. Estes; Secretary, Leon L. Loehr; Directors, C. H. McCormick, M. J. Wentworth, T. J. Lefens, E. H. Gary, J. S. Runnells, E. L. Ryerson, E. M. Barton, Chauncey Keep, C. A. Burley, E. D. Hulbert, Orson Smith and W. A. Gardner.

All of the national banks and a majority of the state banks in the city will hold their annual meetings next Tuesday. Few changes of importance are expected. As previously announced, W. I. Osborne will retire from the presidency of the Continental and Commercial Trust and Savings, and George M. Reynolds, president of the Continental and Commercial National, will be made the active head of the trust company.

Texas Group Meetings

The series of annual group or district meetings of the seven districts of the Texas Bankers Association will be held in the month of February, 1911, as follows: 5th district, February 11th, in Dallas; 4th district, February 13th, in Hillsboro; 3d district, February 14th, in Austin; 2d district, February 15th, in San Antonio; 1st district, February 17th, in Houston; 6th district, February 20th, in Brady, and 7th district, February 22d, in Fort Worth. Secretary J. W. Hoopes hopes for outside attendance, which owing to consecutive dates will be a fine assignment for the roadmen.

Union Trust Company of Spokane has transferred to the Hogan Investment Company property valued at \$102,000, held in trust by the former for some time.

Blountsville is soon to have a bank, a company having been organized with John H. Jordan as president, Perry Millikan, vice-president, and Dr. O. J. Hetsler, cashier. The company organized with a capital stock of \$10,000 under the state law and the bank will be conducted as a private bank. The company is erecting a business block in which its business will be conducted. It will have a vault and modern safe. It is proposed to open the bank for business within the near future and the character of the men interested commands the confidence and respect of the community. There are twenty stockholders, the majority of whom reside in Stony Creek township.

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

As a rule the bankers of the Central West enter upon the new year in a most optimistic frame of mind and a careful consideration of conditions by some of the more prominent financiers in this district appears to warrant this cheerful disposition. Herewith are given statements from one of the best posted bankers and financiers in Kansas City on the outlook: H. C. Flower, president of the Fidelity Trust Co., of Kansas City, says: "The year just closing has been, on the whole, a year of prosperity in this territory. While crops and prices have broken no records, both have been considerably better than the average for the last ten years. A commanding feature of the economic progress of this country has been the large movement of population to new farm lands, a phenomenon which, of course, has been observed at more or less periodical intervals throughout the history of the country. As usual the progress of developing new agricultural territory has been overdrawn in some localities, and as usual, its later phases have been accompanied by a good deal of speculation. Partly on account of this speculation, partly on account of the locating of a good deal of capital in building operations, and partly on account of individual and municipal extravagances, the country witnessed a tight money market early in the year. The banks applied the brakes promptly, however, by declining loans tinged with speculation, and the result was that the crop-moving season found the banks amply prepared for all legitimate demands of business. The financial institutions of the country enter into the new year in excellent condition. Some slowing up of business activity is observed in the East, and as the country is financially and economically a whole, the West cannot escape the same experience altogether."

William T. Kemper, president of the Commerce Trust Co., has this to say of the situation: "The people living in Kansas City and the great territory contiguous have cause for congratulation that they live in this section of the country, for we have prospered more in proportion than any other section of the country, and the indications are that we shall continue to enjoy substantial and lasting prosperity. Financial conditions have shown a vast improvement and the general financial condition of the people, I think, is better because of their adopting more conservative lines of living and investment. We can look forward in contentment, but we must continue to infuse the right kind of spirit into the great Southwest, for it has been helpful to these new communities and we reap the reward daily."

"There is a decided improvement in the financial situation here," said H. Koehler, cashier of the Western Exchange Bank, of Kansas City. "The feeling of uncertainty is disappearing and confidence in the business situation is increasing. This condition, of course, has been brought about by the marketing of our large crops and is having the effect of decreasing the demand for funds, and increasing deposits may be looked for in the near future. There is still a demand from the country for funds for the use of cattle feeders. Caution should be exercised in this matter as it may be that feeding cattle may not be profitable. Losses have already been reported and there is undoubtedly a downward tendency in prices. The two great cereals, wheat and corn, have already had a sharp decline. Both in real estate, stock and grain, reports indicate that speculation has very materially decreased. No matter which way the important cases before the United States supreme court are decided, the decisions will help to clear up the business situation. The great

corporations will adapt themselves to new conditions if required to do so."

A. C. Jobes, vice-president of the First National of Kansas City, gives this as his view of the outlook: "I can see nothing discouraging as to the outlook, generally speaking. Business throughout the country is upon a sound basis, a conservative policy of retrenchment rather than one of business expansion has been the rule of late, which was a good thing for everybody, as it is giving the country time to 'catch up', to liquidate some of its indebtedness, and the money market an opportunity to absorb and digest the avalanche of securities which already had been thrust upon it, and incidentally to weed out the good from the bad, rather than to increase the load which was being carried."

Jerome Thralls, manager of the Kansas City Clearing House Association, who is one of the best posted experts in this district upon financial conditions said: "There has been much talk during the closing months of the year 1910 about the slackening of business throughout the United States, but a review of our records will show a great activity for Kansas City and for the vast territory to the west and southwest. This area is one of the most resourceful scopes of country in the United States, and its development during the ten years closing with the year 1910 is unsurpassed. A comparison of the business transacted during this year with that of 1909 does not show as heavy a gain as does the comparison of the year 1909 with that of 1908, yet a good, substantial increase is shown and the apparent slowing down is due merely to the adjustment of conditions to a more safe and permanent basis—

something that must take place in every rapidly growing country or community. The banks of Kansas City never were on a better basis, and every effort is being made here to discourage wild speculation and to encourage legitimate business. More capital is being put into the banking business and our bankers are doing all in their power toward providing facilities for the handling of and caring for the business of the great Southwest.

Controversy over Bank Robbers

Serious controversy threaten between the authorities of Kansas and Nebraska on account of the formal charge made by Bank Commissioner Dolley of Kansas that the local authorities and people of Wymore, Neb., are deliberately sheltering and protecting a well organized gang of bank robbers that has been preying upon a number of smaller Kansas banks for several months. So frequent have been the depredations upon smaller banks in northern Kansas that the situation has become alarming. More than a dozen such robberies have occurred and in no case has a single robber been caught or even wounded so far as is known.

The Kansas authorities claim that their detectives have tracked this gang to Wymore, Neb., on several occasions and have learned that in that town the members of the gang are protected. Commissioner Dolley in an interview on the subject said: "Some time ago I took the matter up with the Wymore authorities and to my great surprise they were opposed to cleaning up the gang. They told me that the gang left a lot of money in their town. Besides, the robbers didn't molest the people there. What do you think of that argument? Willing to shelter the robbers because they spend money freely and don't molest Wymore people." The governor of Nebraska has been appealed to.

Two more Kansas banks, both in the same town, were robbed last week. They were the Citizens State Bank and the State Bank of Waterville. The robberies occurred on the night of December 30th and the Citizens Bank lost about \$3,000 and the State Bank \$4,000. Six different explosions were heard by the people of Waterville two in the first bank and four in the second. Both banks were insured and were open for business the next day. As in the other cases the gang of robbers numbered five or six, some of whom stood guard while the others blew the safes. All escaped. They are believed to be part of the Wymore, Neb. gang although such identification is hard to prove at this time.

On the night of December 31st the North Muskogee State Bank at Rex, Okla., seven miles north of Muskogee, was entered by robbers who used six charges of nitro-glycerine to break down five steel doors. They secured \$1,300. This bank is a branch of the Commercial National Bank of Muskogee, Okla. It is believed that this gang of robbers is entirely separate from that alleged to have headquarters in Wymore, Neb., although there are many indications that there is some sort of "working agreement" between them. They seem to have divided the Kansas and Oklahoma territory between them.

Since the era of bank robberies in Missouri, Nebraska, Kansas and Oklahoma many insurance companies have canceled their policies on the smaller country banks. The situation has grown truly alarming.

Lillis Resigns from Western Exchange

One of the most important changes in the Kansas City banks announced at the first of the year



Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequaled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

OFFICERS

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

The Old National Bank OF SPOKANE

was the withdrawal of Jere S. Lillis from the Western Exchange Bank, with which he has been connected as cashier and president for more than fifteen years. The stock of the Lillis family in this bank amounted to 800 shares out of 1,000. They were bought by J. Z. Miller, Jr. and his associates. Mr. Miller is vice-president of the Commerce Trust Company of this city and will continue to hold that position while having the title of president of the Western Exchange Bank. Mr. Miller is a very popular banker and will bring to his new institution much personal patronage. Mr. Lillis, it will be remembered, is the debonaire man about town who was attacked by "Jack" Cudahy in the latter's home something over a year ago. Mr. Lillis will retire from the banking business.

Bank Moves from Kansas to Missouri

Four years ago the Interstate National of Kansas City which does a heavy stockyards business decided to move from Kansas into Missouri. This meant only moving across State Line Street. But the bank found it necessary to secure a special law for the purpose and congress was petitioned. The law was passed and then the bank decided to stay where it was. Now the bank will take advantage of that old law to move into the big new steel Live Stock Exchange Building on the Missouri side of the line. The change will necessitate the election of a few new directors as the law specifies that three-fourths of the directors must be residents of the state wherein the bank is situated.

Supreme Court Sustains Guaranty Law

The news from Washington that the United States supreme court had sustained the bank deposit guaranty laws of Kansas and Oklahoma, came too late for much comment to be heard upon it among the bankers of the Central West. That it will be one of the most important pieces of news in Western financial circles for a long time is certain.

Life Imprisonment Penalty for Robbery

On account of the unprecedented reign of bank robbery in Kansas the past few months, it is likely that the coming session of the state legislature will see the passing of much more stringent laws in relation to this kind of crime. Representative Watson of Allen county, has prepared a bill in which he makes the penalty for bank and house robbery life imprisonment. Other representatives have similar bills and in the present state of the public mind in Kansas it would not be at all surprising if very drastic legislation will be enacted.

Echoes of Abilene Failure

Echoes of the Flack defalcation which resulted in the closing of the Abilene State Bank, Abilene, Kan., continue to be heard. It now develops that the Abilene Baseball Association lost \$1,250 through Flack's failure to turn that much of the association's deposits into the bank. Another odd circumstance is that a widow, who had entrusted her pension papers to Flack and who had been paid \$30 a month regularly by him, has had her pension cut off. Her papers were not found in the bank which has brought suit against her for \$468.

Banking News

R. M. Jenks and Frank Jenks of Bovard, Mo., have established the Peoples Bank of Knobnoster, Mo., with a capital of \$20,000.

The name of the State Bank of Waterville, Kan., has been changed to the Farmers State Bank.

Frederick Fleming, president of the defunct Western Bank and Trust Company of Dallas, Tex., has been sentenced to four years in the penitentiary. He was convicted of receiving deposits after his bank was insolvent.

Banking house improvements in Leavenworth, Kan., have become contagious. By the latter part of February the Wulfekuhler State Bank of

\$500,000

(Unsold portion of a total issue of \$750,000)

KARPEN BUILDING

First Mortgage 5% Gold Bonds

Dated December 1, 1910. Denominations, \$500 and \$1,000.
Interest payable June 1 and December 1 at Western Trust & Savings Bank, Trustee. Optional on any interest date at 100 and accrued interest plus a premium of 2%.

MATURITIES					
\$50,000	due	December 1, 1912	\$50,000	due	December 1, 1919
50,000	"	" 1, 1913	50,000	"	" 1, 1920
50,000	"	" 1, 1914	50,000	"	" 1, 1921
50,000	"	" 1, 1915	50,000	"	" 1, 1922
50,000	"	" 1, 1916	50,000	"	" 1, 1923
50,000	"	" 1, 1917	50,000	"	" 1, 1924
50,000	"	" 1, 1918	100,000	"	" 1, 1925

Security

Leasehold Estate, expiring in 2008 in southwest corner Michigan avenue and Eldredge place.....\$ 360,000

Cost of Building.....1,592,921

Total Mortgage Security.....\$1,952,921

Total Bond Issue.....750,000

Margin of Security.....\$1,202,921

Direct Obligation

of S. Karpen & Bros., a business house established in 1880, having the highest credit rating and a net worth of over.....\$2,500,000

Guaranteed Principal and Interest

by Solomon, Oscar, Adolph, Isaac, Michael, William and Leopold Karpen.

Income

The net income from the building at the minimum schedule of rentals will be nearly four times the interest requirements and the net income of the issuing corporation is several times the total interest charges.

Having sold one-third of the issue, we offer the unsold remainder at 99½ and accrued interest for the first four maturities and 99 and interest for any subsequent maturity.

Special Circular on Application

WESTERN TRUST & SAVINGS BANK

"THE ROOKERY" Telephone, Wabash 2838

GEORGE H. BURR & COMPANY

"THE ROOKERY" Telephone, Harrison 526

Southeast Corner La Salle and Adams Streets

CHICAGO

Leavenworth, will be established in the old quarters of the Manufacturers National, Fifth and Delaware streets. Elaborate changes are being made in these quarters. The Wulfekuhler State Bank was established ten years ago with a capital stock of \$50,000 owned exclusively by members of the Wulfekuhler family. Later this stock was increased to \$150,000 some of which is held outside of the family. The deposits are \$1,275,000.

Kansas City bank clearings have almost doubled in four years and the figures for 1910 are more than three times those of ten years ago. The completed figures for the past year are \$2,634,738, an increase of \$239,026,755, or ten per cent over those of 1909.

Robert E. Strahorn of Spokane, president of the North Coast Railroad Company and head of the Pasco Reclamation Company, was entertained at a luncheon in the Hall of the Doges on December 21st, when Edwin T. Coman, president of the Exchange National, on behalf of the 15 hosts presented him a loving cup of sterling silver. The hosts were Mr. Strahorn's guests at the opening of the irrigation project near Pasco, Wash., on October 13th.

Tennessee Nationals Merge

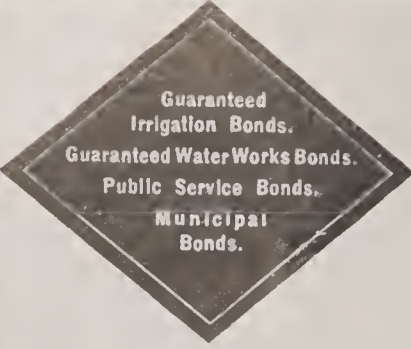
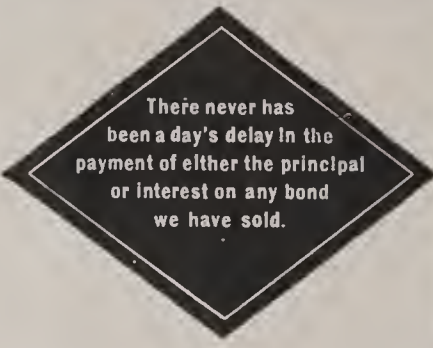
Chattanooga, Tenn., January 3.—Negotiations were closed to-day by which the First and American National Banks of this city, have been merged under one management. The two banks represent a combined capital stock of \$750,000. Charles A. Lyerly, president of the First National, becomes president of the consolidated bank, and H. S. Probasco, president of the American National, retires. The consolidated bank will increase its capital stock to \$1,000,000.

Houston Clearings Show Big Gain

In the matter of Houston (Tex.) bank clearings the year, 1910, exceeded that of the year previously by more than \$60,000,000. During the fall months of 1910 there was a great increase in the volume of banking business over that of the same period for the previous year, indicated by the clearings.

The showing is a flattering one for Houston and is evidence of her increasing prosperity and her growing financial greatness.

For the year just closed Houston's bank clearings totaled the enormous sum of a billion, two hundred and seventy-nine million dollars.

	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS First National Bank Bldg., Phone Central 6400	
PITTSBURGH	CHICAGO	PHILADELPHIA

Treasury Deficit Reduced Twenty Million

Washington, January 3.—The new year finds the finances of the United States treasury far improved over the condition in which the business of 1910 was begun.

When 1909 began the treasury spent some \$26,000,000 more than it had taken in. That sum took no account of the extraordinary expenses for the Panama Canal.

The beginning of 1911 finds that deficit reduced to \$6,000,000, and the total deficit including Panama expenditures reduced to almost \$26,000,000 on all accounts—practically half the amount it was a year ago. The year closes with about \$86,000,000 in the general fund and a working balance of \$34,000,000 in the treasury offices, both considerably lower than a year ago.

This is considered by treasury officials a remarkable showing in spite of more than \$130,000,000 having been advanced out of ordinary funds for the canal construction.

The showing seems to sustain Secretary MacVeagh's declaration that the treasury will be able to keep an even keel until congress passes legislation to allow an issue of securities on the plans he has laid down.

Panama Bond Issue Planned

This plan, as Mr. MacVeagh and Senator Aldrich have so far worked out, contemplates the issue of \$50,000,000 or \$100,000,000 of Panama bonds, not to be available for national bank circulation, and at a rate of interest high enough to make them attractive to investors. Such a plan promised to develop into legislation when congress settles down to work.

Not only does the working balance and the general fund show strength after the six months' strain, but the ordinary deficit for the fiscal year has been actually reduced. The close of the first month of the fiscal year found the cash drawer out some \$9,000,000 on ordinary account. The first half of the year closes with that reduced to \$6,000,000, although it had been as high as \$14,000,000 within that time.

Close check on expenditures, with added receipts in some quarters, which, however, have probably been offset by decreases in others, have gradually worn it down.

The working balance is now \$4,000,000 better than the close of the first month's business left it, and when it is considered that several times since the fiscal year began the ready cash has sunk as low as \$26,000,000 and the general fund as low as \$84,000,000, the present condition gives satisfaction to those treasury officials who have been predicting that the government's finances would right themselves in the face of an abnormal drain.

Court Decisions Awaited

There are important possibilities, however, to be reckoned with during the next six months in any study of the national finances. The first is the decision of the supreme court in the corporation tax cases. Should that be adverse to the government, the treasury would be called upon to pay out \$27,000,000. That would be

met by an immediate issue of 3 per cent certificates of indebtedness to run one year.

The second is that the reclamation service may call for \$20,000,000 for works in the West. That would be met by an issue of bonds already authorized, but the treasury can not issue the bonds until it has paid out the money. The expenditure of \$20,000,000 will not be in a lump and the treasury will have to pay it out in comparatively small sums.

The issue of Panama securities at a rate of interest which will attract investors and supply funds without inflating the present basis of national bank currency is the next big move contemplated.

Chicago Bank Elections

At their annual elections this week Illinois Trust and Savings, Northern Trust, Merchants Loan and Trust and Stockyards Savings have re-elected the retiring officers, without change.

Raises Surplus to \$5,000,000

Directors of Corn Exchange National, Wednesday, transferred \$1,000,000 from the bank's undivided profits account to surplus, making the total in the latter item \$5,000,000. This leaves a balance of about \$500,000 in the undivided profits account, according to the bank's last published statement. The capital of \$3,000,000 has a book value of \$283 a share. Corn Exchange earned in 1910 upwards of \$930,000, or a little more than 31 per cent on its capital.

Bank Shows 34 Per Cent Profits

At the annual meeting of stockholders of the Illinois Trust and Savings Bank Wednesday, John J. Mitchell, the president, reported that the earnings of the institution in 1910 were nearly \$1,700,000 or 34 per cent on the \$5,000,000 capital stock. Mr. Mitchell reported also that there had been no losses during the year and that there were no overdue loans at the end of the year. The deposits on December 31st were about \$90,000,000, an increase of about \$5,000,000 during the year.

New Illinois Bank Going Well

Fred N. Setterdahl, cashier of the Farmers' Bank, Sherrard, Illinois, visited Chicago one day last week. The Farmers' Bank was opened October 15th, capital \$25,000.00. Hon. C. A. Samuelson, a dealer in general hardware and farming implements is president and J. C. South, a farmer, is vice-president. Mr. Setterdahl formerly was with the old private banking house of Lynde and Mitchell and later with the State Bank of Rock Island. He reports a most satisfactory opening of their business and expresses the belief that they have a splendid field for future growth.

St. Louis Clearings Break Record

The year closed with the St. Louis bank clearings reaching \$3,727,949,379, a record total. The clearings for 1909 were \$3,442,439,-

002, which gives 1910 a gain of \$285,510,377, or 8.2 per cent.

While the year has witnessed a vast expansion of banking transactions and close-to-record clearings in many of the principal cities, St. Louis has enjoyed a larger prosperity than the other reserve centers, if the bank clearings are a gauge. This contrast was particularly sharp in the clearings for last week, reflecting in a large measure the holiday trade. Last week's clearings in St. Louis totaled, \$65,575,839, as against \$61,544,682 for the corresponding week of 1909. In New York the clearings for last week decreased 24.9 per cent from the corresponding period of 1909. In Boston there was a decline of 11.9 per cent and in Philadelphia 12.6 per cent.

Year-End Week a Marvel

Chicago and Kansas City made slight gains, the former of 1.8 per cent and the latter of 1.6 per cent. For the country in general the Dun reports show a decrease of 18.7 per cent between the year-end weeks, the heaviest losses being in the East.

The St. Louis showing and the fact that the Middle West cities made all the gains, warrants, St. Louis bankers say, their optimism concerning business conditions. At the same time they admit that conditions in the East justify the unsettled feeling which pervades Eastern banking circles. New York's clearings for the year fell off heavily and Chicago shows a decline. The West and Southwest has all the best of the financial situation on the face of the figures.

The year's clearing house balances totaled \$317,815,200, as compared with \$298,885,723 in 1909.

A Rumor from Milwaukee

La Salle Street has a story that a leading Milwaukee National is to take over two minor trust companies and compound them into one, practically under its own name and direction. We do not furnish the names which go with the rumor.

Westfield Savings Bank Short

Westfield, Mass., December 31.—Following the discovery of an alleged shortage of nearly \$60,000 in the funds of the Westfield Savings Bank the treasurer of the institution, Velenus W. Crowson, was arrested and arraigned in court to-night.

According to a statement issued by Arthur D. Chapin, state bank commissioner, Crowson has confessed to misappropriation of funds of the bank.

Indiana Bank Robbed

Indianapolis, Ind., January 2.—The State Bank of New Palestine, at New Palestine, a small town fourteen miles southeast of Indianapolis on the Cincinnati, Hamilton and Dayton Railroad, was broken into early last Friday and its safe robbed of \$6,416.

The door of the bank was opened with a skeleton key and the thief worked the combination. Not a penny of the bank's deposits was left.

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C. B. MUNDAY
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CHARLES G. FOX
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Bond Activity

Western Trust & Savings Bank and George H. Burr & Company, are offering the unsold portion of \$750,000 Karpen Building first mortgage 5 per cent bonds.

This issue is secured by a ninety-nine year lease-hold and twelve story office building now being erected by S. Karpen & Brothers at Michigan Avenue and Eldridge Place, Chicago. The cost of the building is \$1,600,000, and the net assets of S. Karpen & Brothers are in excess of \$2,500,000.

The bonds are being offered at 99½ and interest for the first four maturities, and 99 and interest for subsequent maturities.

There is much interest in this property and the financing has been an easy proposition.

Bond sales have been numerous enough this week to show an improvement in the market. Money continues easy and this helps the investment business.

A large part of the \$1,500,000 issue of first mortgage 6 per cent bonds of the Tremont Lumber Company is reported by George H. Burr & Company, as sold. The bonds are dated November 1, 1910, and mature semiannually in \$150,000 installments, callable after May 1, 1911 at 102 and interest. The mortgage is a first lien on the company's 170,000 acres of timber land in Louisiana and three plants. It is a part of the \$4,000,000 authorized amount.

The Insurance Exchange issue has been placed on the market. The rate is 5 per cent and the bonds are offered at 102½.

The \$9,000,000 capital stock of the William Wrigley, Jr., Company, which has absorbed the Zeno (gum) Manufacturing Company, is divided into \$1,500,000 of 6 per cent preferred stock and \$7,500,000 of common. The two companies earned last year at the rate of 15 per cent on the new common stock.

Sears-Roebuck common stock went to a new high record price Tuesday in the local market. It touches 188½, but did not come up to the New York record of 190 made last week.

Stocks Buoyant

Leading financial men in Chicago and elsewhere are giving support to the stock market in the belief that forthcoming supreme court decisions, action of the Interstate Commerce Commission and the general course of the administration will be favorable to the railroads.

The new year made a good beginning Tuesday from a bull standpoint, leading stocks advancing from 1 to 2½ points, the buying being mixed, partly for short and partly for long account. The Harriman, Hill coalers, and steel securities led the market, with excellent responses in the less active stocks. Declaration of the regular Atchison common dividend stimulated some trading in that issue. Norfolk and Western was quite active. St. Louis South Western Preferred went up easily, and so did International Harvester and Consolidated Gas.

There were practically no exceptions to the general strength, but the course of so-called Standard Oil stocks caused a good deal of comment, as the Street is hearing that some banking interests which had been antagonistic to the market were more favorably disposed toward it.

The strength of steel, in view of the trade conditions, is largely due to a large short interest, as well as to the fact that holders seem to be satisfied now to keep the stock during a lean period. In fact, the strong feature of the market for some time has been the unwillingness of investors to part with stocks in spite of the current pessimism. A considerable short interest has been created in the market and there was a general impression that there would be a sharp drop in prices this month. Because of this sentiment the short interest increased and many would-be buyers decided to wait. Stocks were taken by our banking interests, and if they are satisfied that expected developments at Washington will be favorable, the market will discount them by further material advance.

The market closed strong at the top, and was again buoyant on Wednesday.

New Beardstown State Bank Opens

Beardstown, Ill., January 3, 1911.—The new Beardstown State Bank opened its doors for business on Monday, December 19th, and has had a very prosperous start. On the preceding Saturday afternoon and evening they kept "open house" and invited all to come in and inspect the building, fixtures, vaults, etc. The officers of the bank and their wives welcomed the guests, presenting the men with cigars and the ladies with carnations.

The new building located at the corner of Second and Washington streets is two stories high and is built of black Indiana brick with white Bedford stone trimmings. The bank

occupies the entire first floor, the second floor being fitted up for office rooms.

The interior of the bank is very handsome, having a spacious lobby with mahogany desks and resting benches. The floor is of tile, the counter is composed of English Vein Italian white marble with a Sylvan Vein green marble base, mounted with brass and mahogany trimmings, and a white marble wainscoting goes around the entire lobby. The arrangement of the cages and desks is very convenient and there is a customers' room and a ladies' room.

The Beardstown State Bank starts with a capital of \$50,000 and a paid in surplus of \$10,000, its ninety-five stockholders being all local people. The officers are: C. F. Johnson, president; H. W. Hackman, vice-president; E. H. Kinney, cashier and manager and E. F. Hunter, assistant cashier. Both Mr. Johnson and Mr. Hackman are life long residents of Cass county and have enviable business reputations. Mr. Hunter is well known to Beardstown people and resigned as manager of the Riverside Wholesale Grocery Company, to take the assistant-cashiership.

Mr. Kinney, the cashier, is a former Table Grove man, having been for twenty years with the Farmers Bank of that place, and being its cashier at the time of his resignation. He is a very capable and genial man, having a large acquaintance throughout the state, at the present time being a member of the executive council of the Illinois Bankers Association. He also is prominent in Masonic, Odd Fellows, and Knights of Pythias circles. Mr. Kinney has moved to Beardstown and has just completed a handsome new home on Sixth Street.

American Banks Needed in South America

The establishment and development of American banks in South America, especially in Argentine, offers a special opportunity to American commercial interests, in the judgment of Prof. Paul S. Reinsch, who was one of the delegates from the United States to the fourth Pan-American Conference last July. Prof. Reinsch has reported to Assistant Secretary of State Wilson the results of his observations in South America, and says the banking interests of Argentine are almost wholly in European hands and lack the vigor, snap and modern methods of American institutions.

As the result of a factional fight at Gary among electric workers supported by other building trades, over \$1,000,000 worth of new building work is tied up.

Iowa Banking News

By W. C. JARNAGIN

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Des Moines, January 5.—The bankers of Iowa will be well represented in the coming session of the legislature which meets in Des Moines January 9th. Apparently, the bankers are beginning to take seriously a bit of advice often thrown at them which in effect is this: "Get into politics." It is not necessary to say that the bankers are among the strongest members of the Iowa legislature. Many of them were leaders in the last session and will be back again this year. The bankers as shown by the official list is as follows: Senate—Joseph H. Allen of Pocahontas; Horace R. Chapman, Bennett; Edwin H. Hoyt, Lamont; George McCulloch, Humeston; Arthur C. Savage, Adair; Nicholas J. Schrup, Dubuque; Willard C. Stuckslager, Lisbon.

Representatives—Nathaniel W. Beebe, Hampton; Wellington I. Beans, Oskaloosa; James W. Bowman, Marion; John W. Campbell, Fort Dodge; John A. Cousins, New Hartford; Robert M. Finlayson, Grundy Center; Dennis P. Hogan, Messina; Karl J. Johnson, Osage; George W. Koontz, Iowa City; Ernest R. Moore, Cedar Rapids; Charles B. Murtagh, Ringsted; George W. Schee, Pringhar; Harry C. White, Garrison.

Des Moines Banks Prosperous

Although but a few bank meetings have been held at this writing, reports thus far submitted show that the banks of Des Moines are prosperous. It is probable that there will be no important changes so far as officials in the Des Moines institutions are concerned. The directors of the Commercial Savings approved the examining committee's report for the past six months and declared the usual dividend. The annual meeting has been announced for January 9th, the same date as the meetings of the Des Moines Savings; the Iowa National will meet January 10th and the Peoples Savings January 11th.

Good Work of Permanent Secretary

The selection of secretary P. W. Hall by the Iowa Bankers Association is showing the wisdom of that body. Mr. Hall is now well acquainted with his work and the good results are apparent. Detectives have been put on the trail of several bank robbers, forgers have been caught and other good work in this line has been accomplished. Through Mr. Hall's labors, Gust Toney was arrested last week at St. Louis and brought back to Odebolt to answer to charges of forgery.

Discussion over Banking Hours

Bankers at Cedar Rapids are in the midst of a discussion as to whether they should keep the banks of that city open until 9 o'clock on Saturday nights. There has been much complaint in many of the cities of Iowa about workingmen being forced to have their checks cashed in saloons because the banks have closed before they are paid off at the end of the week. It is argued that the open bank on Saturday night would be useful along this line. It is also an argument that many people who are down town on Saturday nights would start savings accounts if they had an opportunity to get into a bank. Bankers point out that the hours of an employee of a financial institution are not confined to the times that his face is observable at the bank window and that Saturday afternoon is necessary to get squared up for the forthcoming week.

Bankers Blamed for Loss of Population

Another discussion which has come to the front in Iowa in connection with Iowa's loss of population is whether or not Iowa bankers are encouraging the establishment of factories in the state by loaning money upon future possibilities.

Articles have appeared in a Des Moines newspaper, contributed by readers, that Iowa bankers are too conservative in this respect. It is stated frequently that Iowa must have factories if she is to regain her lost population and the duty of bankers has been pointed out to them in this respect through the daily press. Doubtless bankers have views of their own on this subject.

Bank of Dow City Robbed

The safe blower is still abroad in the land. The latest victim up to this time is the Bank of Dow City, near Denison. Robbers entered the building Thursday night of last week, dynamited the safe and escaped with over \$4,000. It is stated in the report to Secretary Hall of the I. B. A. that four men in an automobile were seen driving rapidly down the road a short time after the robbery is supposed to have occurred. Assistant Cashier Wiggins discovered the robbery when he went to open up for business Friday morning. The bank is owned by the First National at Denison. W. A. McHenry is president and W. E. Fishel is cashier. Secretary Hall sent detectives to the scene at the first possible moment.

Play Joke on Arthur Reynolds

This may be an old joke but it is being worked at present on Arthur Reynolds of the Des Moines National as a fact. Mr. Reynolds is seated in his comfortable chair in the Des Moines National Building at Sixth and Walnut. In rushed a complete stranger who dashed up to the banker and says: "Let me have \$400, quick."

"But sir," replies the banker considerably taken aback, "I do not know you. What is your security, may I inquire?"

"You bet," replies the excited one. "I am sitting in a mighty stiff game of poker upstairs over there and I have four aces." Whereupon the borrower throws down the cards to show that he has what he says. Slow curtain.

Joice Trial Postponed until June

P. M. Joice, indicted for misappropriation of funds in connection with his presidency of a bank at Lake Mills has secured a second postponement of his trial which was set for the November term of court at Fort Dodge. The case has now been set for trial next June. It was stated that the ex-banker has been critically ill with neurasthenia at St. Paul where he is now living. There are fifty counts in the indictment returned by the federal grand jury against Joice.

Police Stumble on Yegg Haunt

The Sioux City police made an important find in the raid of a lonely east side house near that city when they captured three men believed by the officers to be yeggmen. In the house were found eight sticks of dynamite, fuses, soap and several revolvers. The officers thought they had located the band of bank robbers which had been working northern Iowa but the robbery at Dow City a couple of nights after the Sioux City capture demonstrated that this theory was erroneous.

Another Version of Iowa's Burning Question

E. A. Howard, president of the Iowa State Savings at Fairfield and in charge of the industrial

TO IOWA BANKERS

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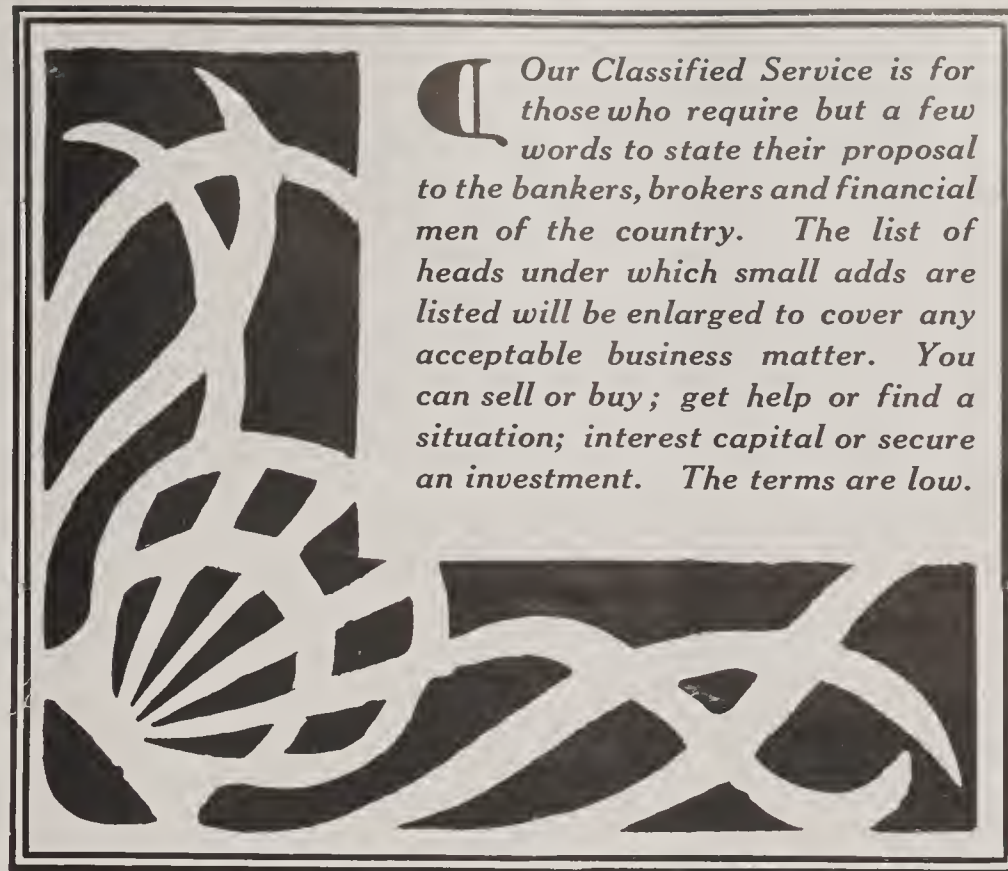
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President

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WILLIAM H. STRAWN
Cashier

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development department of the Burlington railroad gave an interesting version of why Iowa is losing in population while in Des Moines last week. Mr. Howard states that constant attack upon capital have produced a feeling of unrest throughout the entire nation. This has been particularly acute in Iowa, Mr. Howard says. The result has been an arrested development particularly as far as promotion of interurban and factories are concerned.

Iowa a Big Auto Market

Reports for the year 1910 show that over 10,000 automobiles have been sold in Iowa during the past twelve months at a valuation estimated by the secretary of state at \$12,000,000. It is stated further that Des Moines and Iowa automobile dealers have contracted for 10,000 more to be delivered during the coming year. This raises again that much discussed problem of whether the automobile craze is responsible for tight times in financial circles, particularly in those communities which do not manufacture these machines thus resulting in capital leaving the state.

Banking Notes

Des Moines clearings for the month of December show an increase of \$1,032,039.02 over the clearing for December last year. The total for the month was \$16,662,090.02. Clearings for the closing week of the year totaled \$3,112,217.50, an increase over the corresponding week last year of \$46,364.95.

The Citizens State at Early has filed articles with the secretary of state. The capital stock is \$30,000. T. A. Bennett is president; D. D. Carlson is vice-president; A. F. Yender is cashier.

The Farmers and Merchants State of Creston has filed articles with the secretary of state. Capital stock, \$50,000. T. S. H. Dougherty is president; J. C. Sullivan, is vice-president; E. N. Dougherty is cashier.

The First National at Gregory has been granted a charter. Capital stock, \$25,000. C. O. Collman is president; W. M. Barrager is vice-president; O. C. Collman is cashier; W. C. Collman is assistant cashier.

The Live Stock Exchange National of Chicago has been made reserve agent for the Shenandoah National of Shenandoah and the First National of Hull.

John H. Meggison has filed suit in the courts of Black Hawk county for \$15,000 against the First National of Waterloo and James Maine &

Sons, Des Moines contractors. The suit is the outgrowth of an accident when a plank fell during the construction of the new bank building and killed Floyd J. Meggison, the 11 year old son of the plaintiff.

D. G. Sells of Clerburn, Texas, assistant cashier of the Texas State Bank & Trust of that place is dead according to reports received at Vinton, his former home. He is a brother of Cato Sells formerly of Vinton and president of the bank for which the deceased worked.

The new American Savings at Sioux City has named L. O'Harrow as vice-president of the institution.

Willis F. Rich, son of Cashier E. H. Rich of the First National at Fort Dodge, is touring the country with the Princeton glee club. He is proving a vocalist of ability.

The Mahaska County State at Oskaloosa has amended its articles by increasing the capital stock from \$200,000 to \$260,000.

Two important changes are announced at Farmington. J. B. Mowery has been named president of the Farmington bank succeeding F. M. Hunter who goes on the district court bench. F. F. Johnson has been chosen cashier to succeed W. Harry Field who becomes cashier of the bank at Valley Junction recently purchased by J. J. Cavanaugh of Des Moines. Johnson has been living at Stockport.

Cashier Will H. Reynolds has resigned with the Union Savings at Union to become cashier for the Citizens at Sheffield. He has been with the Union Savings since its organization.

According to reports in realty circles James P. Hewitt, an attorney, has secured an option on the four story building formerly occupied by the Valley National at Fourth and Court, Des Moines.

Gottfried Elsebach has brought suit in the district court at Council Bluffs against James Hunter, a Minden banker, for \$16,000 alleging damages resulting from a recent real estate deal.

Some of the out of the city bankers who have been in Des Moines recently were President G. H. Thorley, Farmers and Merchants, Springview, Neb.; President W. H. Brinton, State Bank of Ellsworth; President S. H. Larson, Farmers State of Lake Mills; Cashier N. C. Huffman, Bank of Murray; Assistant Cashier A. Edwards, First National of Clearfield; President C. P. Walker, Farmers State of Paton; Cashier H. J. Garlock,

State Bank of Maxwell; President M. Despres, Farmers State of Elma; Assistant Cashier H. E. Craven, Farmers and Merchants, Milton.

The Latest Juveniles

Lothrop, Lee and Shepard Company has published for the holiday trade a splendid book for young girls. It is intended for gift purposes. It is one of the famous Helen Grant books and is entitled "Helen Grant's Decision." The author, Amanda M. Douglas, has made a world-wide reputation as the gifted writer of these helpful and enjoyable stories. She has, as nearly as may be, become a personal and valuable friend to thousand of girls and young women who no doubt find it difficult to wait for the issue of each new addition to the series. Like all of its predecessors this new volume is entirely independent of the others. In it Helen is found entering upon her second year as teacher in the Westfield High School. She also has had a glowing offer from a college in the far West. Helen is called upon to make a decision in this case and also in another very important matter which will be found very interesting to young women of like age and attainments. The price is \$1.25.

"The Boy with the U. S. Foresters" by Francis Rolt-Wheeler. This is the second volume of the U. S. service series and tells of the department of the public service which is very much in the public eye at the present time. The subjects considered in this volume are the prevention and fighting of forest fires; the regulation of the grazing of cattle and sheep; the preservation and dispensation of lumber; the wild ardor of the pursuit of big game; and the responsible life of the individual forester. The volume is full of information, alive with adventure, and is inciting to patriotism at every turn.

The boy or young man of to-day, will instantly appreciate this fine volume in all its adventurous detail. It is published by Lothrop, Lee and Shepard Company of Boston in decorated cover at \$1.50.

F. G. Slocum, president of the Northport State Bank at Northport, Wash., said on a recent visit in Spokane that between \$8,000,000 and \$10,000,000 of new capital has been brought into Stevens county in the last 12 months. Most of this money was used to develop fruit and farm lands and build irrigation plants.

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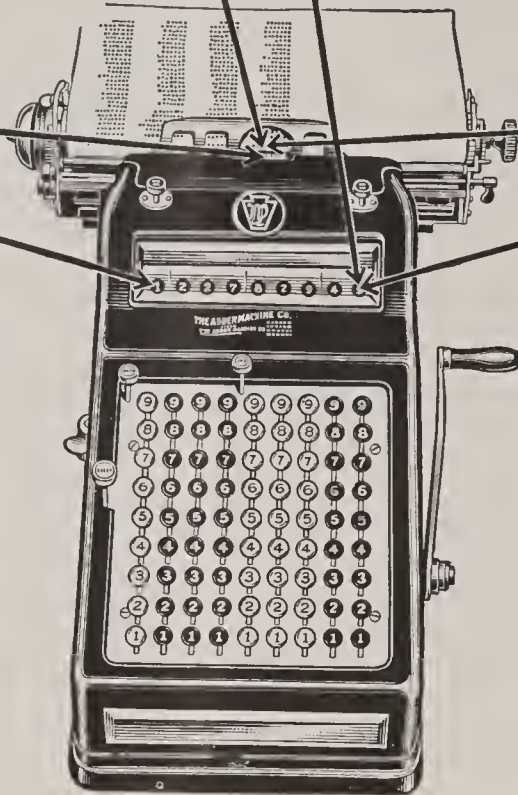
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Milwaukee Banks Sound

The Milwaukee Wisconsin chooses John H. Puelicher to write its annual review article. Banks in charge of men closely allied with business and civic life in Wisconsin metropolis

Milwaukee is generally spoken of as a city of homes—which probably means that more of its inhabitants than is usual in cities own their homes—and this proves them to be a solid and substantial people. This is reflected in the institutions of the community. As its people, so its business enterprises.

The banks of Milwaukee are peculiarly an expression of this solidity and substantiality, they having been organized when needed, and grown up and become influential with the city. The men in charge of the banks resemble the citizenship of Milwaukee, in that they are not transients, but men who have their homes and their interests here; men who are closely identified with the business and civic life of the city. The solidity of the community and its enterprises, and of the banks, are of vital interest to each other. The confidence of the community in the banker makes possible the loans of the banker to the business man, one depending on the other, for if there were no deposits, no loans could be made, as the savings of the employed enable the employer to get through the banker the funds which makes his enterprise possible. This confidence rightly prevalent here, of depositor in banker and of banker in business man stood to Milwaukee's advantage in the currency shortage of 1907. While in many communities factories were closed and employees were thrown out

of positions because bankers were compelled to call loans to pay depositors, in Milwaukee the people accepted from the bankers, without much question, a substitute for currency, because they had confidence that the bankers here had safeguarded the interests of the depositor by securing beyond possibility of loss the clearing house certificate used.

What have Milwaukee bankers done since to warrant an increasing confidence in their institutions? It is generally known that Wisconsin is exceptionally fortunate in its equitable banking laws. All banks in Wisconsin are under either national or state supervision, and are therefore regularly examined, in the interest of the depositor, by either the national or state banking departments, and held to increasingly high standards. In addition to these examinations, the bankers of Milwaukee have this year, through the agency of the clearing house, employed a clearing house auditor to thoroughly audit the affairs of all the member banks. This is a decided step forward, as these frequent audits insure the public of an ever-growing care of its interests.

In the nation there has been a decided interest aroused in the question of currency reform. Some such method as is being employed in England, in Germany and in France, each peculiar to the commercial needs of the specific country, yet in general resembling

each other, must be worked out in the United States. The confidence which the people are inclined to repose in their bankers will have to be relied upon, even in a greater degree, for the solution of this vital question, as it is one requiring knowledge of finance, and should therefore be solved in the interest of all the people by financiers and economists, and not by politicians.

Last year the deposits of the Milwaukee banks amounted to \$72,045,610.18, and this year have grown to \$77,304,318.82. This indicates a steady, solid growth in the wealth of the community. The loans of the banks in 1909 amounted to \$49,157,429.36, and in 1910 amounted to \$53,865,154.33. This enormous amount loaned to merchants and manufacturers of the city is largely the accumulation of the saving laborer, deposited in the bank, and through the agency of the bank loaned to his employer. There is no better example of interest in the common welfare, and of interdependence, than what has just been stated.

It may be well to say a word as to the future. In its hot haste to achieve wealth, the nation has frequently met with severe reverses. There seems to be an unavoidable law which requires growth of any kind to rest upon secure foundation, and any attempt to grow faster than absolute security will permit is generally punished by at least a partial collapse

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3% Interest
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High-Grade
Investments

of the structure. In our haste to achieve wealth, to achieve social distinction, to acquire the means of luxury, we sometimes forget. We have again arrived at one of those periods where a review of the lessons of the past, and a slowing down of our onward rush, would prove profitable.

J. H. PUELICHER,
Cashier Marshall & Ilsley Bank.

Creation of a Gold Depository by Kansas City Banks

(Continued from page 17)

since that date up to the 25th of October was held by the collecting bank under seal to be counted and weighed by a special committee. This committee was composed of Mr. Childs of the New England National, Mr. Witzleben of the National Bank of Commerce, and myself. The three of us acting with the manager of the clearing house.

The counting, sorting and weighing of this million in gold was a very tedious operation.

At the beginning we would issue to the depositing bank a temporary receipt for what coin they sent us. Then this money was counted out of the sacks to the sorter who went over it piece by piece, distributing them into two piles, one which contained coins of standard weight and fineness, and the other, doubtful and light weight coins. (I wish to add that a coin may be standard weight provided it has not lost more than $\frac{1}{2}$ of 1 per cent in weight. This is the amount of shrinkage allowed by the government.)

In the process of sorting it is necessary that it be done by natural light only, so that the sorter may quickly detect any wear on the coin. This cannot be accurately done under artificial light, because of the glare. As soon as the

sorter was ahead a few thousand one of the committee would count the full weight gold and put it up in sacks of five thousand each, while the other two of us would take the pile in which he placed the doubtful and light coins and start to weighing them one by one. This proved about as interesting as pulling an adding machine all day, but it was a little more instructive, because the constant weighing of these coins enabled us to some extent to recognize a light weight coin when we saw one, and that is not as easy as some of you may think.

After we had sorted, weighed and put the gold into such shape as was acceptable to the clearing house, the gold certificates referred to in the rules were issued to the contributing bank on return of their temporary receipt.

All of the gold turned over to the committee was handled in this manner and with the completion of this eight day task the creation of a gold depository was a fact.

In presenting to you all of the statements in this discussion, I have endeavored to show that each circumstance owes its existence to some preceding circumstance, and that it in turn becomes the parent of the others during its existence, by its connection with the subject under investigation. In consequence then of pursuing this mode of treatment it remains for us to see if this plan agreed and consented to by our Clearing House Association, is expressive of its character, motive and object.

It undoubtedly is expressive of present purpose and intention, so the weight and value remain to be determined. If you will kindly refer to the market quotations of Eastern exchange, you will discover that the creation of a gold depository has had a tendency to lower the rate here in Kansas City of Eastern exchange. Prior to the adoption of this plan the rates ranged from 40 cents to as high as 90 cents per

thousand; since, the rate has often been at par and seldom above 20 cents. This is one of the most striking proofs of the advantages derived.

The plan has also proved constructive in that it reserves for our banks a certain amount of actual money that is very valuable when times become stringent.

The gist of the whole action though, is the conversion of a large amount of our gold into gold certificates, which by virtue of their convenience and safety are now used extensively in liquidation of clearing house balances. It has eliminated the difficulty of settlement with this kind of money, by doing away with the loss in the matter of abrasion, resulting from the daily handling and counting of the gold. It has placed at our disposal an opportunity to preserve this kind of coin. The importance of this I believe will be felt in time to come.

In summing up I will say that is another step taken by your Clearing House Association which is gradually becoming the fundamental power that will ultimately force our banks into a stronger unit. Just one more convincing argument for clearing house supervision and usefulness.

Metaline Falls Trust and Savings Bank of Metaline Falls, Wash., a new town 100 miles north of Spokane, has commissioned a local architect to prepare plans for a two-story brick and cement building to cost \$20,000. Lewis P. Larsen and his associates are interested in the bank.

At Westhope, S. D., the First National has dissolved and united with the First State Bank. James Page, cashier of the bank of Westhope, will remain as cashier under the combination. J. E. Roman, cashier of the First National, will be liquidating officer.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

SPECIAL OPPORTUNITY FOR \$25,000.00

¶ I am desirous of having either a silent or active partner, who can furnish the above amount, and be in a position to finance an additional \$25,000.00 if so required.

¶ To establish a Specialty Retail Store on State Street, Chicago, (Dry Goods line). There is no other store of its kind west of New York. I feel reasonably sure that I can show a profit on the investment of from
75 TO 80 PER CENT.

¶ This is really a big opportunity for a safe investment, and general business conditions were never more favorable than at present for the success of a store of this character. The merchandise is always in demand.

¶ Personally I have not the money, but have the *executive ability*, as well as a thorough knowledge of the merchandise, and know what can be accomplished. Can furnish any amount of references as to my reliability and earnestness. Principals only; no promoters.

Address, S-151 Chicago Banker.

For Sale. Auto Graflex Camera, Goerz Celor lens and six plateholders. Cost \$125. Like new for \$90. Address, D-41 Chicago Banker.

For Sale. Luger nine shot magazine pistol, the \$35.00 model, never used, for \$20.00. Address, D-117 Chicago Banker.

Phonograph. New. Cost \$200. Sell for \$110. Address, D-136, Chicago Banker.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter, case and six holders. Cost \$165. Little used and just like new \$110. Address, D-46 Chicago Banker.

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163. Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

Morris & Company to Rebuild

Morris & Co. will replace their burned packing house with a seven-story fireproof structure. A citizens' committee, headed by President Sunny of Chicago Telephone Co., has raised \$250,000 for the benefit of the families of the twenty-four firemen who lost their lives in the recent fire.

New Books from the Publishers

In "The Life of Charles Sumner" by Walter G. Shotwell (Thomas Y. Crowell & Company, New York, publishers), the author has aimed to be as impartial as he could consistently be and yet be in sympathy with his subject. He has told the story of the life of the famous Massachusetts statesman only after several years of research, consequently the book can be regarded as highly valuable, as being well-written and containing records that are true. Sumner was a fighter for his convictions and by his own strong character made people listen to him. His views on the great civil war and its results are among the priceless contributions to our American political letters. In congress and elsewhere his one thought was for the preservation of our institutions, and Mr. Shotwell has succeeded in giving us new lights on the wonderful and inspiring patriotism of this man who helped to make the history of his period. The book is on sale at \$1.50 net.

"That Other Hand Upon the Helm" by Charles Frederic Goss is a tale of western mining camp life, and contains the usual interesting kinds of people found in such a settlement. The heroine is a very beautiful girl of strong character, who, dissatisfied with herself and things in general, decides to go West and break away from all the hateful conditions of her position in the city. She encounters some adventures on her way there, but arrives safely and makes a great friend of Mrs. Fancher, as lovable a person as could be imagined, and her husband, the young minister from the East who is just as interesting. We have not mentioned the hero but of course he is just what a hero should be. The story contains bright touches of humor and its situations are well carried out, forming a story that will hold the attention of the reader until he has read the last page. This book is published by Jennings & Graham, Cincinnati; Eaton & Mains, New York, and sells at 75 cents net.

Lucas Malet (Mrs. Mary St. Leger Harrison, author of "Sir Richard Calmady") has given her readers a touching new story in "The Golden Galleon." This is the story of a simple-minded old maid who is willing to sacrifice everything for the young lodger in whose abilities she has unlimited faith. This supposedly promising young man has unconsciously built up this ideal of himself in her heart, and he leaves Miss Miranda (for that is the name of the heroine spinster) and her aunt to follow the call of insistent voices which are beckoning him to greatness. He comes to grief, and in his downfall somewhat involves the two kindly hearted worshipping ladies. The story is not one of the rapid sort, but it is sure to arouse the reader's sympathies and interest. George H. Doran Company, New York, are the publishers. It sells at \$1.00 net.

"The Fight for Conservation" by Gifford Pinchot, (publishers, Doubleday, Page & Company, New York), is not a systematic treatise upon the subject. Some of the matter has formerly appeared in magazines and some of it is taken from addresses made before conservation conventions and other organizations during the past two years. The book treats in somewhat general terms the movement for the proper utilization of national assets. Among the subjects discussed are better times on the farm, waterways, equal chance, the need of preventing monopoly, and others of equal vital interest to-day. Conservation as a moral issue is especially emphasized, "to make this country the best possible place to live in." The book is of value as showing just what this movement is and why it is so vital to the nation. It is sold for 60 cents net.

Orison Swett Marden has written a new book on New Thought lines, "The Miracle of Right

Thought," which is surely the equal of "Peace, Power, and Plenty," his former successful work, in its clearness and the convincing and authoritative style in which it is written. The creed of which Mr. Marden is an exponent is one that all ambitious young men and women should read. The gist of it is that "whatever the soul is taught to expect, that it will build." That which we intensely long for is really the "range of our efficiency" and a prophecy of what we can be, if we have the right mental attitude. No one can succeed if deep down in his heart he doesn't expect to; he must look forward to success as an assured fact. The chapters contain a great deal of helpful suggestions as "Self-Encouragement by Self-Suggestion." The book is a fine one and should inspire its readers with a desire to look at things in a different light than the pessimistical one. It is published by Thomas Y. Crowell & Company, New York, and is on sale at \$1.00 net.

Richard Washburn Child has laid the scene of "Jim Hands," a very interesting new novel, in a New England village. This village contains every class of society, from the powerful factory owner to the tramp. The story is told by "Jim Hands," who possesses that fine Yankee sense of humor, as he smokes his pipe on the porch and relates incidentally the love story of his daughter, a splendid heroine, while he gazes at the twinkling lights of the town below and shows his auditors its very soul. It is a highly interesting book, is published by The MacMillan Company of New York, and sells at \$1.50.

"Lips of Music" by Charlotte Porter (Thomas Y. Crowell & Company, New York, publishers) contains about one hundred and fifty poems, the greater number of which are lyrics of exceptional merit. Some of these have been successfully set to music—namely, "The Green Bird," "Bertrand's Song," and "The Tragic Rapture." Miss Porter will be remembered as editor of Shakespeare's works and of the Camberwell Browning, also as being one of the writers for "Poet-Lore," in which several of the poems in "Lips of Music" have appeared. Readers will be interested in observing the effect that her long study and association with Browning's works has on the author. The poems are so far above the average that lovers of poetry will surely long for more from her gifted pen. This book is on sale at \$1.25 net.

"Son of the Wind"

In "Son of the Wind" written by Lucia Chamberlain (publishers, Bobbs-Merrill, Indianapolis), the author has deviated from her earlier clever mystery stories and has given us a story that is notable for its fine descriptions, the charm with which she pictures the forests and mountains, the little wild creatures, and especially the wonderful black stallion, the wild horse, which the Indians believe to be a son of the wind. There is a charming love story connected with it of a young horse tamer, Carron, who, hearing of this horse, is determined to capture it, and Blanche Rayner, daughter of a placid old scholar who runs a summer hotel but who, on account of reminiscences of past glories, leaves the management and business worries of it to his much harassed wife. Blanche, a wild creature with a great sympathy for all wild and free things, is reluctant to tell Carron where he may see "Son of the Wind," but is at last prevailed upon to let him get just a glimpse of the horse as he is drinking at the stream. There is a description of the terrible struggle between the animal and the man with the sympathies of the reader all drawn to the side of the horse and the girl who stands by broken hearted for having betrayed the noble animal. It is a fine story, realistically told, with characters that are not of the common type.

Mainly About Banks and Bankers

(Continued from page 3)

A. A. BENTON, manager of the bank audit department of Marwich, Mitchell & Company, sent cards for a Happy and Prosperous, etc., to his many banker friends.

M. A. GRAETTINGER, who has retired from the M. & M. Bank, Milwaukee, would be a strong card for any Chicago or New York bank looking out for new accounts up Wisconsin way.

L. G. KAUFMAN, busy with taking over the Phoenix into the growing Chatham National, New York, did not forget to send out his compliments of the season. He doesn't forget.

F. RICHARD C. ALDRICH, Eugene R. Pike, William E. White and Benjamin Block have been admitted to general partnership in the brokerage firm of Finley Barrell & Company.

L. E. HIGGINSON & COMPANY, print their January list in large type, moderate sized pages, which is correct. The fancy paper, wide margins and nonpareil type craze has gone the limit. Besides the men who have arrived at the investment age and income do not delight in small type, blue paper and green ink. They want it plain and large.

A. FIVE-TON motor coal truck in the service of the Syracuse University hauls an average of forty-five tons of coal a day from the D. L. & W. Railroad coal pockets in Syracuse, N. Y., to the University. The distance is three and four-tenths miles and three quarters of the distance is up grade, the average being seven per cent and the maximum twelve per cent. One man operates the truck, which is loaded by gravity from the coal pockets and delivers its loads by gravity through a chute in the side of the steel body into underground coal bins through man-holes. On one day recently the truck hauled forty-six and six-tenths tons of coal to the university in nine loads and in addition hauled two five-ton loads from the coal pockets to the downtown building of the institution.

A. UTOMOBILE tours of Europe is a feature of "The Gross Tours, 302 Ellicott Square, Buffalo." Think of it, and at only about ten or twelve dollars per day. Then too, the Gross who manages it is a brother of Harry A. Gross of the Northwestern Railway, which is a substantial guaranty.

"N. OTHING new under the sun" is an accepted truth in many quarters. Lots of those who equip their cars with a speedometer think it a modern invention. Not so!

W. E may read in Vitruvius's Treatise on Architecture, where he describes a method of measuring the distance traveled by a vehicle. Gearing was so arranged that when one Roman mile was traversed a pebble or ball was dropped into a brazen pot, thus giving an audible notice of the end of the mile; this with the hour glass gave the speed indicator, and when the day's journey was finished the distance was found by counting the pebbles in the brazen pot.

V. ITRUVIUS dedicated his book to the Emperor Augustus, who died A. D. 13, but the actual date of the publication is unknown, but it is believed to have been a few years before the beginning of the Christian era. As he speaks of this invention as being used at that time, it is very likely more than 2,000 years old. It was also used for measuring distances at sea, a paddle wheel being fixed on one side of the ship to turn the gearing. If this was't the first odometer and speedometer combined it was certainly an early one.

"T. HERE are no hard times in Oklahoma" said F. A. Davis. "For an example, take my town of Nashville. It isn't very big and has only 149 inhabitants. Just fifty men over twenty-one years of age live there, but say; the auto-

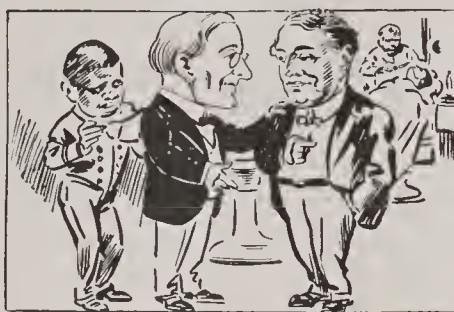
mobiles scoot around there lively. Twelve farmers living in the town, or near it, own autos."

U. NTIL the publication of the remarkably interesting and valuable biography, "The Intimate Life of Alexander Hamilton," its author, Dr. Allan McLane Hamilton, was known to readers only in professional lines. Since its publication a few weeks ago by Charles Scribner's Sons, New York, it has been remarkably successful and has proved itself well suited to the tastes of the general reader but just the thing for the banker who wants to be up-to-date on Hamilton.

S. PENCER TRASK & COMPANY is marketing the Kaw Valley drainage bonds on a $4\frac{3}{4}$ basis. Kansas City, Kan., school bonds sell on $4\frac{1}{4}$ basis and the drainage ought to be just as good.

L. AST week it was intended to read in this column that "Andrew Russel has been invited by State Treasurer Mitchell to remain in the office as a sort of chairman of the board. The holiday vision of the proof-reader made it read "escort of chairman, etc." Could you beat him? We would like to.

Talk No. 50



The Cashier Says:—

"Just as I was leaving the barber shop this morning I met Browning, the Cashier of the First National.

He stopped me and asked if I would mind dropping in some time and explaining just how we handled our Transit items.

I told him I would be mighty glad to tell him all I knew but that I wasn't much on lengthy explanations. However, I gave him a brief outline of the way in which we number the different items and then list them on the machine.

"Then I told him to write the Burroughs Adding Machine Company at Detroit, Michigan, and ask for their booklet, 'A System for Handling Transit Items.'

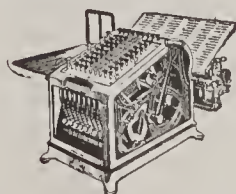
He did and I understand they have adopted the complete system as outlined by the Burroughs Company. That makes the third bank in this city to adopt the Burroughs Transit System.

Better write today for their booklet and find out how to eliminate one of the troublesome details of banking with a Burroughs."

Burroughs Adding Machine Co.

65 Burroughs Block, Detroit, Michigan, U. S. A.

European Address: 65 High Holborn, London, W. C. England



1142 A

P. HILADELPHIANS who have bought stocks, bonds, timber lands, mining shares, etc., from F. A. Guthier & Company, of Room 810, Perry Building, in that city, probably will be amazed to learn that the head of the firm—the much absent, much traveling, rich old gentleman, "Frederick A. Guthier"—is none other than the suave, attractive, little blonde girl behind the counter, whose name is Florence Agnes Guthier.

J. UST at present Miss Florence, as she is known among her friends, is offering unsuspecting investors "the unsold portion of an issue of \$250,000 guaranteed debenture 6 per cent forty-year gold bonds of the Producers' Chemical Company," which, as a matter of fact, has not yet been incorporated, has issued neither stocks nor bonds, and does not own a thing, although Miss Florence's prospectus says that the company's property, as security behind the bonds she offers for sale, is \$350,000.

A. PRIVATE wire says if driven out of the bond business in Pennsylvania she intends coming to Illinois to open a private bank, having read of the success of the Cosmopolitan, the Jankovitch and the Butler adventures.

S. PECIAL canvassers have worked up quite a business in the "Card of Thanks" line for the daily papers. They tackle the bereaved family for an ad. on burial day, to express their gratitude for those who came to the funeral. We know several alleged financial papers who will go to this new quarry so soon as they hear of it.

W. ELL, those who insisted upon fighting state guaranty are wiser than they were, and of course, they will pay the fiddler.

H. ENRY M. CARPENTER, out at Monticello, Ia., sent this characteristic telegram to a Chicago friend on January 3d: "About 20 below zero here this morning and we are glad we have an inside job."

G. ERMAN NATIONAL of Beloit, Kan., has sent out a regular boudoir calendar this year, catering especially to the lady patrons. It is in lavender colors with a real ivory ring for hanging up. The portrait suspended by a ribbon is in water colors. L. A. Mergen, cashier, is the art critic entitled to the credit.

S. ECURITY BANK, Chicago, has gained \$600,000 in deposits the past year, now reporting \$2,760,000. The net profits of the year are \$53,000, nearly all of which went to surplus. E. A. Erickson is president and J. B. Forgan, president of the board. Mr. Forgan pledged himself to make it a model bank and many think he already has succeeded. No losses or depreciations are reported for the year.

F. IRST NATIONAL Berkeley, Cal., has sent out a neat book of views giving complete details of its new banking building. Deposits are near two and one half millions in the national and nearly three million in the Berkeley Bank of Savings, under the same management. A. W. Naylor is president and Frank L. Naylor cashier.

T. HERE were thirty disappointed bidders when the ten millions of Pittsburgh's new municipal bonds went to N. W. Harris and Company, New York branch. The bonds went to almost $2\frac{1}{2}$ points premium.

F. RANK W. ALDRICH, a Bloomington banker, so we see in the society column has been granted a divorce. Mrs. Aldrich has taken up her residence in Paris. (Not Illinois.)

M. Y, my, but we're not sorry for W. E. Corey. How they stood him so long as they did will remain a mystery to outsiders. Men who desert wife and children to marry an actress are not the kind the public puts any faith in.

CASHIER.

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

DONNELL SAFE COMPANY

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The Audit Company of Illinois

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**Specialists in Auditing and System-
atizing Public Service Corporations**

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REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

FOURTH STREET NATIONAL BANK

OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,300,000.00

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W. K. HARDT, Assistant Cashier	



If You Desire to Collect Your Out-of-Town Items
Promptly, Send Them to The National City Bank of Chicago

Correspondence Invited

The National City Bank of Chicago

Capital, Surplus and Undivided Profits \$2,000,000

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CHARLES B. PIKE . . . Vice-President	W. T. PERKINS . . . Assistant Cashier
H. E. OTTE . . . Vice-President	HENRY MEYER . . . Assistant Cashier
F. A. CRANDALL . . . Vice-President	W. N. JARNAGIN . . . Assistant Cashier
L. H. GRIMME . . . Cashier	R. U. LANSING . . . Mgr. Bond Dept.

The Girard National Bank Of Philadelphia

Capital,	.	.	.	\$ 2,000,000.00
Surplus and Profits,	.	.	.	4,318,000.00
Deposits,	.	.	.	43,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN Vice-President	JOSEPH WAYNE, Jr. Cashier
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To Satisfactorily Handle Your Business, You
Need a Philadelphia Account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JANUARY 14, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Gain in Deposits

In all the banks of the city, national and state, there is a gain of \$14,000,000 in deposits since the previous call, the total amount now held on this account in fifty-four banks footing up \$830,000,000. The increase for two months is about 5 per cent. Important gains in cash resources are made by Central Trust, Chicago City, Chicago Savings, Continental-Commercial Trust, First Trust and Savings, Foreman Brothers, Hibernian, Illinois Trust, Merchants Loan and Trust, Northern Trust, Prairie State, Western Trust and Savings.

Central Trust gains a million and a quarter in deposits, Illinois Trust, over three millions, Northern Trust two millions, Foreman Brothers a half million and First Trust and Continental-Commercial Trust each nearly two millions.

W. G. Edens on Tour of Inquiry

W. G. Edens, secretary of the Illinois committee on agriculture, left for Minneapolis on Thursday evening, to consult and meet with the "back to the soil" committee of the famous Minnesota Bankers Association. Mr. Edens was boning Joseph Chapman, Jr., one of the authors of the movement, for information, and Mr. Chapman invited him to attend. Mr. Edens also met with the executive council at St. Paul. The Illinois committee will meet at the Union League Club at 10 A. M. on January 17th, preceding the executive council meeting that afternoon at the directors' room of the First National.

Money Steady

The money market is quiet and steady around 5 per cent. There is a range of 1 per cent in counter rates, the size and character of the loan being the governing factor. Little business is reported in call loans, the quotation being 4 to 4½ per cent. Secured paper is taken freely at 5 per cent. Time loans are mostly at this figure, though the range is 4½ to 5½. Bonds are fairly active for investment account. Collections in the country are rather slow this week and liquidations that were expected at the first of the year or earlier are in some cases deferred, as farmers are holding grain and stock for higher prices.

Oklahoma Group Dates Announced

The dates for group meetings in Oklahoma have been fixed as follows: Group Three, February 20th, Guthrie, Okla.; Group Two, February 21st, El Reno, Okla.; Group One, February 22d, Chickasha, Okla.; Group Five, February 23d, Ardmore, Okla.; Group Four, February 24th, Claremore, Okla.

A. A. Crane

A. A. Crane, vice-president of the First National, Minneapolis, was in Chicago on Wednesday on his way to New York. He was accompanied by Mrs. Crane and his six year old son. He reports briskness in money demands in the Northwest.



THIS is an illustration of the Insurance Exchange Building, a 21-story block now in process of construction in Chicago. The site is 202 x 202 feet, fronting on Jackson Boulevard, between Fifth Avenue and Sherman Street. D. H. Burnham & Co. are the architects and builders, and the ownership rests in the Insurance Exchange Building Trust. A bond issue of \$4,000,000 five per cents has been made and these securities have been taken over by Continental and Commercial Trust and First Trust, in this city, for the purpose of marketing them. This building will be the largest office structure in Chicago, the second largest and one of the finest of the kind in the world, and will be largely, if not wholly, occupied above the second story by underwriters and the local offices of the principal insurance companies of the United States and Europe. Already more than three-fifths of the office space has been leased to tenants of this class, numbering 125, for a period of from ten to thirty years at an annual rental of over \$500,000, which is more than sufficient to cover all expenses, taxes and interest. The bonds are secured by an absolute first mortgage upon both the land and the building to be erected thereon, and the total value of the property when completed is estimated to be in excess of \$8,000,000.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$9,500,000

Officers

GEORGE M. REYNOLDS - - - - President
RALPH VAN VECHTEN - - - - Vice-President
ALEX. ROBERTSON - - - - Vice-President
HERMAN WALDECK - - - - Vice-President
JOHN C. CRAFT - - - - Vice-President
JAMES R. CHAPMAN - - - - Vice-President
WM. T. BRUCKNER - - - - Vice-President
WM. G. SCHROEDER - - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

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FRANK H. ELMORE - - - - Assistant Cashier
HARVEY C. VERNON - - - - Assistant Cashier
GEO. B. SMITH - - - - Assistant Cashier
WILBER HATTERY - - - - Assistant Cashier
H. ERSKINE SMITH - - - - Assistant Cashier
JOHN R. WASHBURN - - - - Assistant Cashier
RALPH C. WILSON - - - - Assistant Cashier
WILSON W. LAMPERT - - - - Assistant Cashier
DAN NORMAN - - - - Assistant Cashier
FRANK L. SHEPARD - - - - Auditor
H. LAWTON - - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

Corner Monroe and Clark Streets

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W. IRVING OSBORNE, President

OFFICERS
JOHN JAY ABBOTT, Vice-President
CHARLES C. WILLSON, Cashier

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The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

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We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital, - \$1,250,000

Deposits, \$10,000,000

Thoroughly equipped to handle all business pertaining to banking and invites the accounts of banks, corporations, firms and individuals

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Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

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JOHN FLETCHER, Vice-President
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J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
M. F. RITTENHOUSE
L. B. PATTERSON
WM. A. TILDEN
R. T. FORBES



Mainly About Banks and Bankers

COMMERCIAL SAFE DEPOSIT CO., which owns the building which houses the Continental and Commercial National has increased the dividend from 5 to 6 per cent.

NATIONAL BANK OF THE REPUBLIC now has capital \$2,000,000, surplus \$1,000,000, having added \$300 this year out of earnings.

NEW YORK banking law passed May 23, 1910, requiring private banks to secure license and deposit security of \$10,000 with the state comptroller, together with a surety bond, was declared constitutional by the supreme court of the United States after having been turned down in the lower courts.

THE comptroller of the currency has declared a fifth dividend of 10 per cent to the creditors of the First National Bank of East Brady, Pa., amounting to \$21,879.99 on claims proved of \$218,799.97, making the total dividend paid 60 cent. This bank was closed May 1, 1908.

DANIEL ANNAN down at Cumberland, Md., has a board of directors who direct. On Christmas day they handed President Annan a check, signed but not filled out, and told him to go to Europe for a year. The whole family was included. He will sail on January 11th.

MR. ANNAN is an ex-president of the Maryland association and is known to every banker in his state. We know two or three bank presidents who will leave marked copies of the above paragraph lying about where their directors may happen to see it. They will if they are wise.

COUNTERFEITERS now are making their half-dollars and dollars out of real silver at a handsome profit—say 100 per cent. Really Murray should do something about this?

A HALF-BUSHEL of dimes came into the Pekin (Ill.) postal savings bank, and yet there are those who believe we never would have them in this country. Now look out for the income tax and the parcels post. There is such a thing as being too skeptical, you know.

BANK amalgamation stories are pretty thick even in Chicago. In other cities they are thicker.

DON'T fail to note the frequency of the "Look out" notices from those secretaries who have safes and insurance for sale. The woods are not so full of Yeggmen as they want you to believe. The zealous revivalist always dwells upon the terrors of the future life. Ye agency-secretary waves ye Yeggman's flagge.

JOSEPH C. ROBIN was a "bird" of a banker. Lucky for him that Clark Williams wasn't in the chair when he first expanded.

MONROE NATIONAL has a new and popular director in George W. Dixon, of the Dixon Transfer Co., Chicago.

NATIONAL banks stand solid with the public as is shown by their doubling their resources in ten years. This, too, in an open field against the newer and more popular form of trust company banking, under less stringent state laws.

REALLY we hate to revert to the subject of private banks but two more of them—in Alaska and at Pittsburgh—failed to open on Saturday last. One in Chicago sued the entire neighborhood where it is located for "circulating false stories" about its credit.

THE Pittsburgh "bank" closed because the New York banking department got after its New York branch, under the new state law recently upheld by the U. S. supreme court. The Alaska "bank" failed because of "investing its resources (deposits?) in a lumber company." These are the rocks which the unsupervised banker continues to stumble over.

CORN EXCHANGE NATIONAL earned 31 per cent on capital last year which is going some for "hard times."

ILLINOIS TRUST earned 34 per cent last year which is another bright red feather in John J. Mitchell's plumage. Bank and banker in this case closely approach the ideal.

OH yes! if you have any of those Cosmopolitan "bank" certificates of deposit just—well, of course, if you'd rather just say nothing about them. They're worth just as much locked up as they are at large.

CONTINENTAL AND COMMERCIAL TRUST & SAVINGS BANK, Chicago, sends out an attractive offering of Spokane Lumber Company gold 6's at par and interest. These bonds are redeemable at 103 on any interest date and are in denominations of \$500 and \$1,000.

TRULY Mr. Cheney's star is not going down in a blaze of glory. Or, is he to blame for Robin's long drawn out career? New York is so conspicuous in things financial that we far-outers expect great things of her bank superintendents just as we accept in wonder, also, the tales of her banker who wears a white flannel dress suit, a yellow dinner coat and plays chess by long distance telephone.

OUR regards to President MacMichael of the chapters. He is going to speak before the Alabama Bankers in very fast company, as oratory goes, without reducing his thoughts to "written form." Think of going to bat in between Clark Williams of New York and the Hon. Wm. P. G. Harding of Birmingham with bases full. There ought not to be any sacrifice hits in public speaking.

THE above is not a "knock" on the able head of the A. I. B. We had it out with the snappiest off-hand talker in the ranks—Joseph J. Talbert now of New York, then of Chicago—on the same subject. Mr. T. was going to the big Chicago A. B. A. convention with an extempore address. But he changed his mind and put it in polished phrase, in "written form."

LATER Col. Joe said he didn't believe any man was big enough to take up the time of the American Bankers Association with half baked rhetoric and uncertain logic. Educational Director Allen and our Friend Gurney of Fremont, Neb., put a lot of the young fellows wrong with their entertaining simulations of "doing it off hand." Clever, very clever both of them but very deceptive. They both know. Allen knows weeks in advance just how he is going to approach a climax in a halting way; and Gurney has practiced fumbling with his fob-chain and looking at the

floor and the ceiling for a word until he does it artistically.

BUT don't you young fellows be fooled, even Herman couldn't take a jack rabbit out of a silk hat without practice nor without first putting it in the hat. Further, if you are preparing in advance, carefully and prayerfully, but want it to appear as "inspired" don't try to fool the editor who wishes to put it in type in advance. He is wiser than you may think.

THERE are only about two good excuses for not sending in your manuscript. One is if you have "lifted" it and the other is the method of D. R. Forgan—of using the same address several times, or, until some paper publishes it from notes.

C. H. HUTTIG, president of the Third National Bank, will be re-elected president of the St. Louis Clearing House on January 17th. The rule is for the president to serve two years. The slate for the board of managers has not been made up. W. W. Hoxton will continue as manager.

R. T. FORBES telegraphs that they are cutting ice at St. Joseph, and that the crop is fine. Ice is a big factor at St. Joe.

W. J. FENTON, not our banker Fenton, but sheriff of Falls City, Neb., denies the charges of Mr. Dolley, bank commissioner of Kansas, that he protects bank thieves who do their robbing in other states.

C. E. MITCHELL, F. L. Hilton and F. W. Black, all of New York, are to form a partnership for the purpose of dealing in securities, beginning February 1st. These gentlemen have been identified with the Trust Company of America, Mr. Mitchell was assistant to the president, Mr. Hilton secretary and Mr. Black auditor.

JOHAN R. MORRON, president of the Atlas Cement Company, has been elected a director of the Guaranty Trust Company, New York City.

DON'T forget, no matter what you think the law ought to be, that the law now is that a state may tax solvent banks to pay the losses of insolvent ones, as they do in Oklahoma. The supreme court settled that.

PPRIVATE bankers must not forget that the same high authority has decided that the state may regulate and examine all private banks, no matter how private, and that security bonds may be required as well. You hear a lot of other kinds of talk but this is the law from the highest tribunal.

IN the Oklahoma case the decision said: "In short, where the Oklahoma legislature declares by implication that free banking is a public danger, and that incorporation, inspection and the above described co-operation are necessary safeguards, this court certainly cannot see where it is wrong."

WE wish to amend the Billings-Sherman sterilization bill now only applied to incurables and habitual criminals to include teachers of "the absolute life" and all other prophets, cultists, religionists and reformers who prey upon innocent women. This with our compliments to the Illinois legislature.

SMALL seismic disturbance in New York. Two or three unimportant banks fail. When they let a bank fail in New York it generally is one they wish to be rid of.

(Continued on page 30)

Capital, Surplus & Profits
\$3,000,000



La Salle and Monroe Sts.
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

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R. M. McKINNEY, Cashier
THOS. JANSEN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier
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THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

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DIVISION "F" (BANKS AND BANKERS)

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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

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D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
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D. A. MOULTON, Vice-President
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J. E. MAASS, Assistant Cashier
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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

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WILLIAM R. DAWES, Cashier
A. UHRLAUB, Vice-President
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JULIUS KRUTTSCHNITT.
CHARLES G. DAWES, ex-Comptroller of the Currency

New Banking Law

Strong points in the new act proposed by Arkansas Bankers Association. All forms of banking to be under supervision. Powers of the commissioner. National Monetary Commission investigator finds State banks supplanting private banks. Growth of Trust companies phenomenal. The situation is interesting

The Arkansas Bankers Association seems to be quite as much in earnest as the Alabama Bankers Association about the necessity for a strictly modern state banking department. The bill which has been prepared by the Arkansas committee appears to cover largely the same ground as that prepared by the Alabama bankers and both of the new bills include the most striking and effective paragraphs from the recently adopted laws in several of the more progressive northern states. Arkansas has been trying to get along practically without supervision or regulation of any kind and has found that progress without them is impossible. Even the incorporated banks have been going about as they pleased. The proposed act will control banks, trust companies and savings banks, and individuals and private bankers engaging in banking will come under the same supervision and regulation as incorporated banks.

Private Bankers to be under Supervision

After providing for the formal appointment of the commissioner and the establishment of his office and duties, the new bill takes note of the work which is to be accomplished under it. As early as section 10 it is provided that any individual, firm, or corporation holding itself out to the public as a bank or banker must become subject to the law. Following are the provisions of section 10.

Sec. 10. That any individual, firm, or corporation holding himself or itself out to the public as a bank or banker, trust company or savings bank, by sign, advertisement, or otherwise, shall be subject to the provisions of this act, and wherever in this act shall be used the word "bank," it shall be understood to apply alike to any incorporated bank, trust company, savings bank, copartnership, or individuals transacting a banking business.

Can Refuse Charter for Lack of Character

Those who apply for bank privileges in Arkansas are to be bona fide residents of the state. All capital subscribed must be actually paid in. The banking commissioner is to be satisfied with the character and general fitness of the persons named as stockholders. They must command the confidence of the community in which the institution is to be located. He must know that the capital has been subscribed in good faith and actually paid in. He then may issue a certificate of incorporation. The new institution shall transact no business except the election of officers, the taking and approval of their bonds, and the receipt of payments for stock subscriptions until they have been further authorized by the commissioner to commence business. These provisions apply to an individual or a firm just as fully as they apply to an incorporated bank. Section 15 further defines the obligations put upon private banks in Arkansas as follows:

Sec. 15. Any individual or firm doing business as a private bank, shall designate a name for such bank, which shall

show that it is not incorporated; and all property, real or personal, owned by such bank shall be held in the name of the bank, and not in the name of the individuals of the firm; all the assets of any private bank shall be exempt from attachment or execution by any creditor of such individual or firm, until all liabilities of such bank shall have been paid in full. No private banker shall use any of the funds of his bank for private business, and the note of the owner or owners of any private bank shall not be considered or accepted as a part of its assets. In case of the death of an individual banker his widow shall not be endowed of any of the property of the bank except such as remains after the payment of all depositors and other creditors.

Some of the New Requirements

No form of banking can begin in the state until all fees to the commissioner have been paid. Banks shall organize with not less than ten thousand dollars in cities of less than twenty-five hundred inhabitants. The amount of capital is graduated from this upwards until fifty thousand dollars is the capital which will be permitted in cities of ten thousand or more. This section is not retro-active and banks now doing business with smaller capital, after complying with the other provisions of the bill, will not be required to increase the amount. The bill is very positive about the non-issue of any banking shares until their full par value shall have been paid in in money. There is a stock qualification for directors and ownership in these cases must be bona fide.

Can Remove the Incompetent and Negligent

The bank commissioner is to have some of the powers delegated to the banking commissioners in South Dakota, Oklahoma, and elsewhere. If any officer of a bank is found to be negligent, reckless, or incompetent, he shall be reported in writing to the directors. If they do not remove him at once all of the directors so notified are held by the law to be responsible for any losses which come to the bank through the officer to whom objections have been filed. The usual lien upon all stock is given to the bank. In case of the partnership or private bank the lien is upon the owners or partnership property of its members. Under the new law any person wilfully making a false statement or a false entry upon the books of the bank is to be punished by imprisonment of not less than one year. Reserve of not less than fifteen per cent is provided; two-fifths of this shall be carried in cash in vaults and the balance may be held on deposit subject to check with other banks and trust companies. There is a very positive prohibition against paying dividends out of capital; likewise against the certification of checks or drafts unless money covering the same is actually on deposit. This applies to private banks and to incorporated banks alike. A further provision denies a bank the right to employ its money directly or in-

directly in trade or commerce or in the buying and selling of property or merchandise. It shall not purchase its own shares of capital stock unless to protect the bank from a loss. Neither shall the bank loan any money to its stockholders taking their stock as collateral. Loans to individuals or corporations are limited to forty per cent of the capital stock paid in.

Overdrafts are not Entirely Eliminated

The law permits the board of directors to ratify overdrafts but otherwise it holds the bank officer paying an overdraft personally responsible for the amount. It must not be forgotten that in the Southwest overdrafts are not looked upon with the same degree of disapproval as in the North and in the East. Section 38 provides that every private bank and incorporated bank shall make full statements of assets and liabilities whenever required. These statements are to be called for without notice. In the case of private banks the oath of the proprietor is to be attached to the statement. If it is a banking firm the majority of its members must sign the affidavit. The bill throughout is very explicit in denoting the same methods of examination, the same penalties for evasion and for failure to report upon private banks that it imposes upon incorporated banks. Paper past due in all kinds of banks for twelve months must be charged off. The result of each bank examination shall be mailed to each director of the bank who must make acknowledgment of its receipt. Two yearly reports shall be published in the newspaper in the country where the bank is located. Failure to make these reports or to publish them within ten days of the time named in the call is sufficient ground for the commissioner taking charge of the bank and pronouncing it to be insolvent. The commissioner and his examiners are given very full powers and are permitted to examine under oath any proprietor of a private bank, officer, agent, or clerk or other person in any bank under examination.

Penalties may be Promptly Enforced

Whenever any officer of any bank refuses to submit books and papers freely to the examiner the commissioner may revoke their banking permit and proceed to wind up its business. If any officer continues to conduct the bank after its authority has been revoked, a fine of five hundred dollars is provided. Ample provisions for taking charge of weak or insolvent banks is provided and the practice under the new law will be made strictly of a modern type. The commissioner is authorized to pronounce any bank insolvent whenever he finds that the actual cash market value of its assets are not equal to its liabilities; or when it is unable to meet the demands of its creditors; or when it shall fail to make good its reserve as required by law. The commissioner may require proprietors of private banks and stockholders officers of incorporated banks to restore the solvency. They may do this by executing a bond to be paid within six months; otherwise the bank may be liquidated. The

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in denominations of \$10, \$20, \$50 and \$100

Letters of Credit

in Pounds Sterling, Dollars, Marks and Francs

Furnished to Banks and Bankers for direct sale to Travelers

I N V E S T M E N T S E C U R I T I E S

usual provisions for notice of all other banks and bankers in case of insolvency are provided for. The commissioner is given the right to redeem any collateral which may have been pledged by the bank at any time within thirty days after taking charge. This bill is to be pushed for passage by the entire officers of the Arkansas Bankers Association at the present session of the Arkansas legislature.

What the National Monetary Commission Learned

In an exhaustive review of the growth of state banks and trust companies since national banks entered the field in 1864, Prof. George E. Barnett, of Johns Hopkins University, in a volume just published by the National Monetary Commission, declares that he has been unable to find that the rate of failure among state banks is any higher than that among national banks.

Analysis shows that state banks have partially supplanted both private banks and the national banks with small capital.

The following reasons are given for the growth of state banks at the expense of private banks: "(1) The chief reason for the partial supplanting of the private bank by the small state bank is the advantage of the corporate form of organization in giving greater security to the depositor and consequently in increasing the credit of the bank. (2) The growth of small state banks has been much increased in a number of states by legislation relating to private banks," such as the forbidding of the use of a corporate name or the name "bank" by non-incorporated institutions.

"In 1877 the number of state banks with a capital of \$50,000 and over was 634 and the number of national banks was 2,080. In 1909 the numbers of the same classes were 2,620 and 4,773, respectively." The great majority of state banks have a capital of less than \$50,000, while the great majority of national banks have a capital of \$50,000 or more. The reasons why the smaller state banks have increased more rapidly than national banks are: (1) Since the development of state supervision the credit of state banks approximates that of national banks except for interstate business. (2) The profit on the issue of national bank notes has not been great. (3) State banks have more freedom in making loans. They may loan on real estate. (4) The reserve requirements for state banks are less stringent.

Recent Growth of Trust Companies

The recent growth of trust companies, Professor Barnett says, has been due to their more liberal reserve requirements, their more liberal provisions regarding investments, and their wider range of powers in general.

The capital required of trust companies varies from \$5,000 in North Carolina to \$1,000,000 in the District of Columbia, the usual requirement being \$100,000. "The first general laws for the incorporation of trust companies in the United States required such companies to have a much larger capital than that required for banks, but the later legislation shows a distinct tendency in the direction of lowering the requirements in regard to capital."

Most companies are not usually required to accumulate a surplus.

The requirement of a specified reserve against demand liabilities is of comparatively recent date in most states. "In most of the antebellum state banking laws reserves were required only against note issue. Until 1887 a reserve was required for state banks in only three states, and in these the required reserves were small." At present a reserve of from 10 to 25 per cent of deposits (either demand or total) is required in all except 10 states. This reserve need not be entirely cash in bank, but may be part bank balance or, in some cases, specified securities. "In Connecticut, Florida, and Pennsylvania the reserve may consist partly, and in Georgia wholly, of securities."

States do not Encourage Concentration

Striking evidence is given of the natural economic tendency of funds to concentrate. Only Rhode Island and Connecticut have reserve provisions similar to those of the national banking law, i. e., formed in such a way as to centralize reserves. Consequently, an interesting comparison may be made. "The total resources of the state banks and trust companies are somewhat less than the total resources of the national banks; but on September 1, 1909, the net deposits of New York national banks due to state banks and trust companies was \$334,000,000, while the net deposits due to other national banks was \$289,000,000."

Trust companies, are, in general, required to keep the same reserves as state banks, with the exceptions, (a) that the former are more usually allowed to carry bonds or demand loans as part of their reserves, and (b) that different reserves are required to be held against demand and time deposits. Since the panic of 1907 Massachusetts and New York

have increased the reserve requirements of trust companies.

The difference in activity of the deposits of national banks and trust companies is shown by the fact "that while the trust companies in the city of New York had about the same amount of deposits as the banks of that city their clearings amounted to only about 7 per cent of the clearings of the banks."

Branch Banking not Much Encouraged

"Under none of the state banking laws has there been built up an important system of branch banks," says the writer, although in 9 states (California, Delaware, Florida, Georgia, New York, Oregon, Rhode Island, Virginia, and Washington) state banks and trust companies are definitely permitted to have branches. In three states (Louisiana, Maine, and Massachusetts) trust companies may have branches. In many cases, however, there are restrictions as to location of the branch. Specific authorization by some state official or officials and the requirement of additional capital for each branch are usual conditions for the establishment of branches.

A number of states have limited the amount of bank stock that may be held by banks in order to prevent the extensive control of banking by a single interest. However, "it has not been possible to forbid the ownership of stock in a banking institution by persons or companies who already own a controlling interest in other banking institutions on the ground of such other ownership." In 1909 the Wisconsin commissioner referred to the unified ownership of banking institutions as follows: "A new feature in banking has manifested itself of late which, if permitted to go on unhindered, will eventually result in a monopoly control of the banking business. I refer to the so-called holding companies, which are increasing with alarming rapidity in various parts of the country. One of these companies, with headquarters in Minneapolis, Minn., owns a controlling interest in more than 50 banks in Minnesota, Iowa, Wisconsin, and the Dakotas. Legislation should be had to discourage this evil in every proper manner."

Growth of State Banks Phenomenal

Growth of state banks has been phenomenal, according to the statistics which have been collected for the volume. They are now twice as numerous as the national banks, although their combined capital is only half as much. Their growth has been especially rapid since 1886, and the greatest increase has occurred since 1889. Their growth has been greatest in the far West and least in the New England States. Trust companies have been on the increase since 1889. There are now approximately 15,000 state banks, private banks, and trust companies.

State banks have enjoyed pronounced prosperity, Professor Barnett says, because they have fewer restrictions than national banks in making loans and because the capital and reserve requirements for state banks are less stringent, while the profit on circulation of

(Continued on page 14)

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ILLINOIS BANKING NEWS

By C. C. Burford

The German-American Bank of Bloomington has completed almost nine years of business. During these nine years the German-American has made rapid strides and is now well established in the business life of Bloomington. Some of the most prominent business men in that city are members of the directorate of the bank. The capital stock paid in is \$100,000 with an earned surplus of the same amount. The deposits are over \$1,249,000. Albert Wochner is the president. Paul F. Beich and Frank Oberkoetter are vice-presidents while Adolph Wochner is the cashier. Mr. Beich, one of the vice-presidents and a prominent manufacturer of Bloomington, is a director of the La Salle Street National of Chicago.

Meriweather is New Cashier

Bankers at the Cairo convention remember J. A. Meriweather who was one of the visiting bankers from Decatur. At that time Mr. Meriweather was assistant cashier of the National Bank of Decatur, but at the January meeting of the board of directors of the institution was promoted to the cashiership. B. O. McReynolds, who was the former cashier for over twenty years, was advanced to the presidency, succeeding D. S. Shellabarger, who retires. Mr. Shellabarger, a well-known mill and elevator man of Decatur, remains in the directorate of the bank.

Competition in Country Banks

The question of competition of two banks in a country village is an interesting one. In villages of only a few hundred people in Illinois there are often two banks and in many cases the struggle for supremacy between them is a hot and heavy fight. Factional feelings are thus generated among the people of the village and the surrounding country and in many cases the local social and political complexion is greatly influenced by the friends of one bank or of the other.

However, it is not always advisable for one bank to buy a controlling interest in the other for as one banker says, "A new bank would probably be started if we did that." The Bank of Saybrook, in a village of the same name in McLean county, conducted by Messrs. Robert Means and Charles Schureman, has secured control of the Citizens Bank of the same town. A third partner, William Rowe, has been admitted and the business of the two banks will be handled as heretofore but under one control. How successful this plan will be is an interesting one for country bankers. The Bank of Saybrook has been in existence for a quarter of a century.

Fairbury Bank Liquidates

The First Bank of Fairbury, formerly the First National Bank, and one of the oldest financial institutions in Livingston county, is to retire from business.

At the present time Elmer E. McDowell, who purchased the bank some time ago from his brother, T. S. O. McDowell, is engaged in closing up the business affairs of the concern. The checking accounts were all paid out several days ago, and now the notes held by the bank are being realized upon as fast as they come due, no new loans are being made and every effort is being made to close up the

affairs of the bank as soon as possible. The bank was and is a strong one. There are plenty of resources on hand to pay all depositors. No run on the bank occurred when announcement was made that the business was to be closed and the bank completes its business with the kindest feeling of all persons in Fairbury.

The bank was founded early in the seventies by Isaac P. McDowell.

Large Mortgages Filed

The Chicago, Terre Haute and Southwest railroad which takes over the John R. Walsh line, has filed a mortgage at Terre Haute, Ind., in favor of the Illinois Trust and Savings Bank of Chicago for \$20,000,000, and a second and supplemental mortgage for \$6,000,000 in favor of the First Trust and Savings Bank of Chicago.

The first mortgage is to secure an issue of refunding bonds. The transfer of the property from the receiver to the new company was made January 2d. The railroad runs from Terre Haute to Chicago along the eastern line of Illinois and closely parallels the line of the Chicago and Eastern Illinois railroad.

After Ellisville Banker

The state's attorney of Fulton county has a number of subpoenas against the creditors of the Butler banks in Fulton county which failed a few months ago. These creditors are directed to appear before the January term of court. It is well understood now that Butler and his employees are to be given a very searching trial and while the creditors of the banks do not expect to get more than 15 per cent of their money yet they have determined to push the case against these defaulting bankers as much as they can.

C. C. James who was in charge of Butler's bank at St. David is wanted by the sheriff of Fulton county. The people of Ellisville and vicinity are swearing vengeance on Butler and James. Butler was placed in jail in Peoria January 7th.

Illinois Notes of Interest

Beardstown has a new state bank which began business about Christmas. Harvey Kinney is the cashier.

George L. Harry, who has been president of the Lincoln State Bank of Lincoln, since its organization, has retired because of advancing years. Oscar M. Kiest is the new president and John McNath is vice-president. J. E. Hoblit is cashier and John O. Fortman is assistant cashier. The bank enjoyed a good year in 1910, earning 6 per cent profit for the stockholders besides carrying large sums to the surplus fund.

Decatur bank clearings for the year 1910 show an increase of about three million dollars over the business done in 1909.

Clearings in Peoria increased in 1910 about twelve millions over the figures for 1909. The internal revenue collections at Peoria totalled over thirty millions, a gain of about one million over the preceding year. However the revenue collections are not up to the high water mark as in 1906 they reached the amount of thirty-four million dollars.

Marion Banks Elect Officers

Marion, Ill., January 7.—Two of the banks in Marion have elected officers for this year. The Marion State and Savings Bank has for president, J. H. Burnett; vice-president, W. J. Aikman; cashier, E. B. Jackson; assistant cashier, A. B. Aikman; teller, S. V. Aikman; directors—E. E. Dennison, J. H. Burnett, M. L. Baker, W. W. Whittington, W. J. Aikman, B. D. Bracy, W. G. Cochran, A. J. Binkley, W. T. Newton, J. M. Aikman, J. C. B. Smith.

The Citizens' Trust and Banking Company elected H. M. Parks, president; A. L. Cline, vice-president; R. A. Parks, cashier; William Hendrickson, assistant cashier; Rufus Neely, attorney; directors—H. M. Parks, A. L. Cline, William Hendrickson, R. O. Clarida, E. T. Gallagher, J. L. Adams, F. F. Owens, John J. Wohlwend, R. G. Fleming, M. A. Atwood, John M. Dodd.

Architects have completed plans for the new building to be erected by the German Savings at Davenport.

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Lampert's Address on Hamilton

Chicago Banker at club banquet, tells of man who first gave to this country practical ideas on National Banking System and Protective Tariff Policy

At the annual banquet of the Hamilton Club of Chicago on Wednesday evening the speakers were Nelson N. Lampert, vice-president of Fort Dearborn National, Rev. Dr. R. A. White, Judge Cutting and Colonel Buckingham. Mr. Lampert was the only banker to make an address. In speaking of "Hamilton as a Financier" he said:

It has taken the American nation a century and a quarter to come to a fair appreciation of those ideas in finance and government which distinguished the public career of Alexander Hamilton, whose memory we honor to-night. Hamilton's whole life was a lesson to posterity. It pleases me beyond expression that this great club is doing its part not only to perpetuate the name of Hamilton but to give vitality and permanency to his views. Hamilton as the leading financier of Washington's day, the formative period of this government, gave to this nation its first idea of reliable banking and the benefits of a tariff on imports. But he never revised the tariff upward when intending to revise it downward. Strange as it may seem to us at first thought, the dominating theory in banking to-day is that which was first promulgated in America by Alexander Hamilton.

Hamilton was only thirty-two years of age when he became secretary of the treasury. The federal constitution had just been adopted under his able leadership. Washington became president and congress passed an act creating the treasury department. So pre-eminent had Hamilton become as a financial leader that no other person was seriously considered for the post of finance minister. Friends and foes declared him to be the most

suitable man in the country for the difficult work of creating a financial system. In a report to congress early in his administration setting forth his policy Hamilton used these words:

"To justify and preserve the confidence of the most enlightened friends of good government; to promote the increasing respectability of the American name; to answer the calls of justice; to restore landed property to its due value; to furnish new resources both to agriculture and commerce; to cement more closely the union of the states; to add to their security against foreign attack; to establish public order on the basis of an upright and liberal policy—these are the great and invaluable ends to be secured by a proper and adequate provision at the present period for the support of public credit."

As Daniel Webster afterwards said of him, "He touched the dead corpse of public credit and it sprang upon its feet." Hamilton understood that it is impossible to keep one's credit without paying one's debts. Hamilton proposed that the government should accurately compute all the debts of the continental congress, both foreign and domestic, and pay the whole amount in full, with interest. That point he carried. Then he proposed something that surprised everybody and alarmed many. He proposed that the debts of the separate states should be assumed and paid by the federal government. Mark the profound wisdom of that proposition. Most of the creditors to whom the states owed money were American citizens. If the United States assumed the state debts all those creditors would at once become creditors of the United States and all

would be eager to have the federal government get an ample revenue to enable it to pay its obligations. That would result in building up a party directly interested in strengthening the federal government. Another of Hamilton's proposals with the same end in view was the establishment of a great central bank in which the national government should be a shareholder and partly a director.

But some people objected to these measures and said the constitution nowhere gave to congress the right to charter such a bank. They claimed also that the nation had no right to raise money by taxation in order to pay money owed by a state. Hamilton merely pointed to that clause in the constitution which gives to congress the right to make all laws which shall be necessary for carrying into execution the powers vested by the constitution in the government of the United States.

That ought to be called the elastic clause of the constitution, because it can be stretched to cover many things. Thomas Jefferson was the principal opponent to Hamilton's views. In that way arose the first great division between political parties under the constitution. The Hamiltonians gave a liberal construction to the elastic clause in order to make the new government strong. The Jeffersonians gave a strict or narrow construction to that clause because they were afraid the new government would grow too strong and become tyrannical.

The North had been as much afraid of a strong federal government as the South, but in the northern states there were many more merchants and capitalists who had lent money

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to the states and nearly all those people supported Hamilton. On the other hand, southern planters were afraid of having the government managed too much by capitalists and so they generally supported Jefferson. Thus the love for a strong federal union began to grow much faster in the North than in the South.

The dispute over these questions raged fiercely and a compromise was finally reached when the site for a federal capital had to be selected. A bargain was made in which each side gave up one thing in order to get the other. Congress assumed all of the state debts and the city of Washington was built on the banks of the Potomac.

The assumption of state debts was a master stroke of policy in strengthening the Union. However, in order to pay all these old debts, state and national, congress must have a revenue, and it must have a revenue in order to pay the current expenses of the government. People are terribly afraid of having their taxes increased. A direct tax would perhaps have been resisted, but an indirect tax was adopted in the form of a tariff on goods imported from foreign countries. We are still disputing whether the foreigner or the American pays the tariff tax. By a very moderate tariff Hamilton obtained at once revenue enough to carry on the government and pay all the debts. He also recommended that the tariff be used to encourage native manufactures as well as to obtain revenue. He saw that manufactures were likely to spring up and that it would be well to interest the owners to benefit and strengthen the nation.

In a national bank he then saw the surest staff to aid the tottering steps of the young and struggling republic and now in the plenitude of his power at the head of the treasury and of a vigorous party he turned to it as a fundamental element of a broad and national financial policy. Beaconsfield once announced that it was necessary to educate his party, and in similar fashion Hamilton began a report to congress by confessing that he wished to edu-



NELSON N. LAMPERT
Chicago

cate the public. The plan of the bank was a good one. It was to have the support of the government and the government was to have the use of the funds, and to a certain extent control of the bank. The economical problem which confronted the United States was how to develop the vast natural resources of the country. The difficulty lay in injured credit, both public and private, in lack of capital and circulating medium and in the general deficiency of the financial machinery necessary to the conduct of domestic trade and foreign commerce.

In a national bank Hamilton perceived means of restoring general confidence, so important to large business transactions. In the issue of bank notes he saw an addition to the circulating medium of the country and a great expansion of credit. These notes would have the strength imparted by the close alliance between the bank and the government without the dangerous qualities inherent in irredeemable paper. Facilities for exchange and for the transaction of business throughout the states would be promoted to a degree which we can hardly conceive without picturing to ourselves a community almost utterly destitute of all the appliances by which the vast concerns of the business world are now kept in daily motion. All these great benefits flowing from the national bank were correct in theory and proved equally so in practice.

They were all sought by Hamilton to advance the development of the country, which was the pole star of his whole financial policy. They were intended to facilitate trade, encourage enterprise, enhance the value of land and stimulate at once and as strongly as possible both agriculture and commerce. The policy of a national bank thus founded by Hamilton has never been permanently laid aside. When the charter of the first bank expired the very men who had most fiercely resisted it established another. Then came a series of experiments with state banks and difficulty and distress led to a return to Hamilton's policy. The system of national banks has replaced the bank of the United States and its branches and the governing principles are those laid down by Hamilton. We live now under the sound, wise policy which he devised and carried through more than a hundred and twenty-five years ago. To bring ourselves still more closely in line with his logical financial views we have come to-day almost to the point of establishing a central bank. With the consummation of this general desire, we will stand exactly where the first secretary of the treasury stood.



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CAPITAL - - - \$500,000
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MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

With the holding of the annual meeting of the various Milwaukee banks and trust companies on the afternoon and evening of January 10th, many of the various rumors, which have been so widely circulated during the past sixty days were set at rest.

Milwaukee banks have been making history fast during the past month and aside from the reports of this consolidation and that consolidation, increases in capital stock and changes in officers, at least one of the most important rumors has been verified, and with the meeting of the First National Bank formal announcement was made of the absorption, by that institution of the Milwaukee and Fidelity Trust Companies, and this action on the part of the directors was approved at the annual meeting. Beyond this formal approval no definite action was taken at this meeting, which was adjourned to February 21st, at which time final action, increasing the capital stock of the bank will also be taken. This postponement was made necessary by the terms of the bank charter, which requires thirty days' notice before an increase in the capital stock can be made. It is expected that at that time all of the present officers will be re-elected and the directorate increased to twenty. The capital stock will also be increased from \$2,000,000 to \$2,500,000.

The plan of taking over the trust companies was fully outlined to the stockholders and the fact was announced that when the control of the stock becomes vested in its new owners, the Milwaukee Trust Company will continue business under a new name probably the First Sav-

ings and Trust Company. The stockholders of the bank will then become the owners of the trust company through trustees each stockholder acquiring a proportionate share of the stock of the trust company. Announcement was also made that plans are on foot to acquire a new site for a banking house, which shall be the home for the bank and the new trust company.

As yet, however, nothing definite as to the location of the plans for the building is in shape to be given out according to the officers of the bank.

At the annual meeting of the Marshall and Ilsley Bank all of its former officers were re-elected. They are: President, James K. Ilsley; Vice-President, John Campbell; Cashier, J. H. Peulicher; Assistant Cashiers H. J. Paine and F. A. Kirchhoff.

This bank has nearly completed its plans for its new home on East Water street and while nothing definite has been announced as yet, by the officers for publication, it is definitely known that the work of demolition of the buildings now occupying the new site will be commenced within a few months and when completed the new Marshall and Ilsley Bank Building will take rank as one of the finest buildings of its kind in the entire country.

At the Marine National, Arthur H. Lindsey, cashier, was promoted to be vice-president and also elected a director. Assistant Cashier Edward H. Williams was promoted to Mr. Lindsey's position and George Moores, paying teller, was chosen assistant cashier. G. D. Prentiss, teller, was also promoted to the position of assistant

cashier and Thomas J. Durnin was elected secretary. Stephen Hoff, partner in business of the late Edward P. Hackett, was elected to Mr. Hackett's place on the board of directors.

At the Germania National, George F. Brumder, son of the late George Brumder, was elected a director. All of the former officers were re-elected as follows:

President, William C. Brumder; Vice-President, George P. Mayer; Cashier, Alfred G. Schultz; Assistant Cashiers, E. A. Reddeman, and Carl Engelke.

At the National Exchange Bank it was announced that no changes would be made in the officers or directors of that bank. Mr. Lombard was re-elected president, Grant Fitch, vice-president and William M. Post cashier.

At the Milwaukee National all of the officers and directors were re-elected. George W. Strohmeier is president; L. M. Alexander, vice-president; William F. Filter, cashier and John F. Strohmeier assistant cashier. These officers and J. F. W. Inbush, Ferdinand Meinecke and Carl Penshorn constitute the board of directors.

The Wisconsin National will hold its annual meeting January 11th, at which time it is expected that Herman F. Wolf, cashier, will be elected second vice-president to take the place made vacant by the resignation of Charles E. Arnold; L. G. Bournique, assistant cashier, will probably be promoted to the position of cashier. Other officers will in all probability remain unchanged.

The Merchants and Manufacturers Bank will hold its annual meeting later this month, at which



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H. J. PAINE, Asst. Cashier	F. A. KIRCHHOFF, Asst. Cashier
F. X. BODDEN, Mgr. Bond Department	G. A. RUESS, Mgr. South Side Branch
S. H. MARSHALL	J. H. TWEEDY, Jr.
R. N. McMYNN	GUSTAV REUSS C. C. YAWKEY

time, it is said that Edwin C. Knoernschild will be made cashier to take the place of Martin A. Graettinger, resigned. No further change it is said will be made in the officers or directors of that bank.

At the annual meeting of the Wisconsin Trust Company all of the officers and directors were re-elected. They are: President, Oliver C. Fuller, Vice-President, Gardner P. Stickney; Secretary, Fres C. Best and Assistant Secretary, R. L. Smith.

Large Increase in Bank Loans

The statements of the national banks of Milwaukee for January 7th, shows that loans have advanced considerable since the reports of November 10th. During that period the increase has been \$534,000 or nearly 2 per cent while cash resources have declined about 5 per cent and deposits and total resources are down a small fraction of 1 per cent. The cash loss and the loan advance are the only changes large enough to have much significance.

According to one prominent banker the bank statements show a condition of solid conservation. The demand for loans is not as great as it was in the last two months of 1910. Money is a little easier but the outlook for spring is fairly good.

Among the national banks the loan expansion since November shows the following percentage gains:

First National up 5 per cent; National Exchange up 4 per cent; Germania National up 2 per cent and the Wisconsin National up over a fraction of one per cent. Some of the banks made small gains in deposits while others made slight and temporary reductions due to the drawing down of city and other large accounts.

More of the Mineral Point Failure

Another chapter in the failure of the First National of Mineral Point, Wis., was written last week when suit was begun by Christopher L. Williams, receiver for the bank, against the directors of the bank at the time of its failure for \$700,000.

The bill desires to hold the directors individually liable for the looting of the bank by Philip Allen and alleges the great negligence of the directors in not preventing the manipulation of the funds by Allen who, it is claimed, took \$460,000 from the bank through his speculations. Negligence is also alleged in the allowing of loans by the bank to some mining corporations without financial responsibility, and it is claimed in the bill that the demands of the federal banking statutes as to the duties of directors were not

carried out or the bank could never have been looted as it was.

Milwaukee's Lombard Street

Indications point strongly to East Water street in the near future being the banking center of Milwaukee. Negotiations have been in progress for some time by the First National interests looking toward securing a site on this street and it is said that options have been secured on at least two desirable corners.

The Marshall & Ilsley Bank has already secured a site just north of the Wisconsin National frontage on East Water street and building operations will be commenced within a short time. At least one other banking concern is reported to be looking for frontage on this street while some rumors are to the effect that the Wisconsin National will enlarge its building by taking in the Waldheim property just north of the present location.

The Fidelity Trust Company Personnel

Howard Greene, president of the Fidelity Trust Company, in speaking of his plans for the future says that as yet he has not decided what he will do when he retires from the trust company. Clement C. Smith, first vice-president says that he may not leave the concern altogether but would make no further statement. Fred W. Dickens, secretary, will leave the company and it is reported will connect with one of the prominent bond houses of Milwaukee. W. A. Jackson, vice-president, has some plans for the future which will take him to the West.

Among the Banks of the State

E. J. Hueffner and Byron B. Northrup, president and vice-president of the Manufacturers National of Racine, have tendered their resignations and declined re-election to the board of directors. Illness on the part of Mr. Northrup and business matters on the part of Mr. Hueffner were the reasons assigned. Their successors will be elected January 17th.

Edwin M. Wing former cashier of the Batavian National of La Crosse, and ex-president of the Wisconsin Bankers Association, has been elected vice-president of the bank to succeed E. E. Bently, resigned. J. A. Bayer becomes cashier while H. O. Klein takes the post of assistant cashier.

D. C. Buckstaff, treasurer of the Buckstaff-Edwards Co., has been elected a director of the Commercial National of Oshkosh, to fill the vacancy caused by the death of F. Zentner.

The directors of the Citizens State Bank of Stanley, Wis., at their December meeting, de-

clared a six per cent dividend to stockholders as earnings for the past six months a five per cent dividend having been paid in July. The annual meeting of the stockholders was held on January 10th.

Senator Otto Bosshard has been elected president of the State Bank of Holmen, Wis., Thomas Johnson, former assemblyman, is vice-president.

Donald W. Williams, for something over ten years associated with the Bank of New Richmond, the last three years as assistant cashier, has resigned his position and on April 1st will become cashier of the Redwood City Commercial Bank, of Redwood City, California.

Cashier F. P. Ainsworth, of the First National of Neillsville, Wis., has resigned his position.

At a meeting of the officials of the Bank of Black Creek, Wis., the following officers were elected for the ensuing year: President, William Strassburger; vice-president, Peter Ryser; cashier, George H. Peters.

For the second time in the history of the First National of Appleton, a 25 per cent dividend on the undivided accrued earnings of the past twenty years was made at a recent meeting. Each of the fifty-eight stockholders received a draft from President Herman Erb for his share of the \$75,000 in proportion to his holdings.

At a meeting of the stockholders of the new bank at Stockbridge, Wis., the following officers were elected: President, T. E. Connell; vice-president, Thos. Flatley; cashier, A. H. Flatley and assistant cashier, John B. Flatley.

At the annual meeting of the stockholders of the Osstburg State Bank a few changes were made in the list of directors: B. Grotenhuis will succeed S. E. Huibregtse and G. J. Lohuis will succeed John Theune.

At a meeting of the directors of the National Bank of Waupun the resignation of C. A. Shaler was presented. This move was made necessary on account of Mr. Shaler's failing health.

Franklin A. Boyd has been elected assistant cashier of the Commercial National of Fond du Lac. Mr. Body has been teller at the bank for several years. The following officers will serve for 1911: President, H. R. Potter; vice-presidents, A. G. Bechaud and Henry Boyle; cashier, M. T. Simmons and assistant cashier F. A. Boyd.

Granby Smelter Company, of which Jay P. Graves of Spokane, is vice-president and general manager, has just paid a dividend of \$1 a share, or \$150,000. The company has paid \$2,000,000 in dividends to date.

We solicit accounts of banks and bankers and offer them our complete facilities for the handling of their out-of-town items



Capital
\$2,000,000
—
Surplus
\$2,000,000
—
Deposits
\$33,000,000

C. H. HUTTIG, President

W. B. WELLS, Vice-Pres.

G. W. GALBREATH, Cash.

J. R. COOKE, Asst. Cash.

D'A. P. COOKE, Asst. Cash.

R. S. HAWES, Asst. Cash.

H. HAILL, Asst. Cash.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

In his first message as elected governor, the successor to the late John A. Johnson, and recently choice of the people themselves at the polls in November, said in regard to the banking department:

The last session of the legislature, in compliance with the general request of the bankers of Minnesota, created a separate state banking department by taking the supervision of these institutions from the department of public examiner and placing them under a superintendent of banks. The new department began business August 1, 1909. The result from every point of view justifies the wisdom of creating the new department, which has at all times had more than sufficient work to occupy the attention of the entire official force.

An exceptionally gratifying showing, both as to the growth of prosperity in the state, and the success of banking enterprise under the new regime, is made by the records of this department. During the year ending November 10, 1910, there was a net increase of 40 new banks, of \$20,000,000 in deposits, and of \$22,900.00 in total bank resources, a gain of 22 per cent. On that date there were in Minnesota, 686 state banks with deposits aggregating \$108,000,000, and total resources in the sum of \$126,240,000 which is more than three times the number of banks and volume of deposits and resources represented by the state banking system in 1900. A state banking growth of 200 per cent in 10 years certainly bespeaks progress. Including national banks, there has been an eight-fold increase in 25 years until to-day there are 970 banks in the state, with deposits aggregating \$340,000,000.

The federal comptroller of the currency is by the law authorized to exercise his discretion in issuing a charter to a bank where the amount of local business does not justify its organization, and in cases where the application is prompted by local spite or jealousy. In this state there is a demand for similar author-

ity on the part of the superintendent of banks with reference to applications for state charters. Such restrictive power, when properly exercised, is of value in safeguarding the interests of depositors, but since the exercise of such discretion may in many instances work a hardship, I would suggest that the grant of power be carefully safeguarded.

Four Northwestern States Free from Yeggs

Just where is the line between stern duty and official courtesy is a question that has risen in the minds of Charles R. Frost and other executives of the Interstate Protective Association, although it has not risen into their consciousnesses. Westward, Ho! is the cry of the yeggman, and it is the result of the work of this association composed of four northwestern state bankers associations. The protective organization is shoving the yeggmen over the line into other states. Its minions patrol the borders of the protected com-

monwealths and yell, 'What, Ho?' to the members of the nitro fraternity, causing them in afright to ply their nefarious work in the states which fringe the border of the protected four, only.

Telegrams show that bank robbery is being pursued in Kansas, Nebraska, the far end of South Dakota, and at other points outside the realm in which gay cats and other accessories of the safe blasting trade are non grata. Secretaries of the banking associations of these offended states wish that Minnesota, North and South Dakota and Iowa would keep their old yeggmen at home, arrest them, shut them up, do anything with them, only keep them at home. Diplomatically Secretary Frost replies that the yeggs commit no crime in his jurisdiction therefore he cannot restrain them in gaols. This is the retort courteous.

Minnesota Banking Department Up to Standard

Efficiency of his force was commented upon by J. B. Galarneault, retiring bank examiner in Minnesota, the first incumbent of the new office. He feels that he hands over to Kelsey Chase, his successor, a well organized department.

"The corps of bank examiners and office employees," said Mr. Galarnault, "would be hard to duplicate. If the 'powers that be' will allow the department to be conducted, as from its inception, as a business department, and will not permit it to be dragged down to a political basis, the banking system of Minnesota and the financial condition of the state will both be the better for it.

"There is danger, as always in such cases, that political considerations may be given too much weight in appointments in the department, and that it will be placed on a par with the appointments in the oil inspection department, for instance, which has always been recognized as a political department. The legislature in creating the department of banking expected politics would be kept in the

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DANIEL G. REID
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ZOHETH S. FREEMAN
Vice-President

CHARLES W. RIECKS
Vice-President
and Cashier

FRED'K P. MCGLYNN
Assistant Cashier

HENRY S. BARTOW
Assistant Cashier

HENRY P. DAVISON
Chairman Executive Com.



DIRECTORS

George F. Baker
Frederick G. Bourne
E. C. Converse
Henry P. Davison
Zoheth S. Freeman
T. A. Gillespie
Francis L. Hine
Arthur F. Luke
J. Rogers Maxwell
Ambrose Monell
Charles A. Moore
D. G. Reid
Frederick B. Schenck
Charles H. Stout
Henry C. Tinker
Charles H. Warren

CAPITAL, SURPLUS AND UNDIVIDED PROFITS
\$3,700,000.00

Fort Dearborn National Bank Chicago, Illinois



Capital - - \$1,500,000

Surplus and Profits 400,000

Deposits - - 16,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President **J. FLETCHER FARRELL, Vice-President**
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier **CHARLES FERNALD, Asst. Cashier**
THOMAS E. NEWCOMER, Asst. Cashier

We particularly desire the accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and we wish to serve you

background. Governor Johnson entered upon the organization of the department in that spirit. He disregarded politics to such an extent that a majority of the employees were selected from the opposing party. When his political friends opposed his appointment of a certain man to an office, he said: "I don't know that I can count him a friend of mine. I don't think he ever supported me; but I should not consider that. If he is competent that's all I want to know." And that settled it.

"Much of the future of the department and of the banking business in this state depends upon the attitude of the bankers. If they will interest themselves to the extent of letting it be known that they will not tolerate politics in the department of banking they can accomplish much."

M. B. A. Executive Council Meeting

The executive council of the Minnesota Bankers Association on January 13th met at the Hotel Saint Paul to arrange a legislative program and for other business, including choice of the next convention city. Secretary C. R. Frost reported on the bank protection feature. The committee on agricultural development and education met the day previous to frame its report. The negotiable instruments law was talked over also.

Several Bank Changes

Fendall G. Winston was elected vice-president of the Security National Bank at its annual meeting. Mr. Winston has been an active director for years. He is president of the Winston, Harper, Fisher Company, wholesale grocers, and of the Winston Brothers Company, railroad contractors. He is well known politically as a leading democrat and is a pioneer and prominent citizen.

W. A. Meacham, for twenty-three years an employee of the bank, and paying teller, was elected assistant cashier. J. H. Ellison, with Winston Brothers Company, and E. C. Warner, prominent linseed oil manufacturer, were added to the board.

At the Northwestern National, John S. Pillsbury of the Pillsbury Flour Mills Company; F. C. Van Dusen, VanDusen, Harrington & Company, grain; C. J. Winton, lumberman, and A. C. Cobb, lawyer, were made additional directors.

H. P. Newcombe, head of the collection department, and W. M. Koon, paying teller, were promoted to assistant cashiers.

T. A. Foque was added to the directory of the St. Anthony Falls Bank. He is master mechanic for the Soo line.

The East Side State Bank declared a semi-annual dividend of 3 per cent and increased the surplus from \$8,000 to \$11,000.

At the Minneapolis State A. W. Harper, cashier, succeeded B. W. Smith as president; E. E. MacGill, of the Bankers Security succeeded Roy Quimby as vice-president; A. L. Arnold of Beach, N. D., succeeded as cashier; C. E. Hill was re-elected assistant cashier. New directors are: E. E. Merrill, produce commission; John Fagerstrom, contractor; F. C. Squyer, insurance; L. M. Chamberlain, storage and transfer, C. E. Hill.

At the Minnesota National, which is liquidating, J. W. Molyneaux was re-elected president; J. H. Martin succeeded F. L. Williams as vice-president; I. F. Cotton was re-elected cashier. Directors were cut to seven, A. D. Clarke, former president, remaining on the board.

Thomas Irvine was elected director of the National German American to succeed the late Thomas Wilson and F. R. Bigelow to succeed O. P. Lanpher, resigned. The Snelling State Bank, which was organized in May, had its first annual election. The Dayton's Bluff State Bank is another new institution in St. Paul, organized in October.

A. E. Clerihew of Forman, Ford & Company, wholesale glass, and Archibald A. Crane, new vice-president, were made additional directors by the stockholders of the First National.

L. J. Peterson was made a director at the Germania Bank, leaving other members as before, E. E. Schober, L. Paulle, C. G. Laybourn, J. J. Heinrich, O. E. Naegele and J. S. Tucker. At the East Side State J. Schmidler and S. L. Frazier were added to the board and at the North Side State the stockholders selected L. E. Jepsen as a new man. At the Union State P. A. Paulson and W. F. Olsen were put on the board, and two more will be voted upon at the next meeting.

Bank Showing not Quite so Good

At the bank call it developed that there was some reduction in deposits. Loans and discounts on January 7th were \$54,712,259 and deposits \$70,568,031. The savings bank totals are as follows: Deposits, Hennepin County Savings, \$4,851,815; State Institute for Savings, \$445,000; Farmers' & Mechanics', \$13,255,180.

The call showed the Minnesota National

absorbed by the Scandinavian American National, making its deposits \$2,284,809 and its loans and discounts \$1,591,531. The Market State Bank and Camden Park State Bank have been organized since the last call and they report individually total deposits of \$53,813 and \$17,594 and loans and discounts of \$52,708 and \$22,657.

Few Changes in St. Paul Banks

Changes in St. Paul banks are to be slight. W. B. Dean is slated for vice-president of the Second National to fill a vacancy created when F. D. Montfort bought a commercial paper business in Minneapolis, and Edwin Mott, assistant cashier, to succeed him as director. Total deposits of five of the national banks are more than \$35,000,000. The total surpluses reported from the same sources amount to \$3,000,000. At the annual meeting of the Security Trust it developed that the net earnings for the year were at the rate of 14 per cent.

Add Two Directors to Minnesota Trust

Henry Doerr of the Minneapolis Drug Company, and J. T. Wyman of Smith & Wyman, manufacturers, are added directors on the board of the Minnesota Loan & Trust Company. The company declared a 6 per cent dividend in the year and has paid up capital of \$1,000,000 and a surplus increased from \$100,000 to \$150,000. Undivided profits are \$25,000.

Private Banker Dead

After being for thirty years connected with private banking and investments, in Minneapolis, John D. Cleghorn is dead. He was seventy-three; brother of Thomas Cleghorn; heavy land holder in Scotland; father of Susan Cleghorn, author.

Banking Notes

Business men and laborers have rallied to the support of the Provident Loan Company of St. Paul, \$50,000 capital, in subscription of stock to insure the start of the anti-loan shark institution. Louis Betz, L. S. Cushing and W. B. Geery are three business men appointed to arrange a conference luncheon at which progress was made. The stock is expected to pay 6 per cent.

South Dakota's treasury reports that it held at the close of the year \$554,514 in all funds. A call is to be made for \$225,000 outstanding warrants.

Editorial Comment

Honor Due to Hamilton

Nelson N. Lampert, the Chicago banker, has pointed out in a public address that it has taken the American people a century and a quarter to get around to the position occupied by Alexander Hamilton on financial questions. It is true that Hamilton in the first federal administration, when secretary of the treasury under Washington, gave to the country a clear view and vigorous advocacy of a central bank and of a national banking system such as we now enjoy.

After a century of all kinds of experimentation, some of which has been exceedingly disastrous, the business world is pretty well agreed that honor is due to Hamilton for starting the nation aright. His ideas dominate to-day and will be of incalculable benefit to the United States in years to come.

It is well to bear in mind that while the country has gradually worked around to approve Hamilton's ideas we still are a long way short of having as good a financial system as can be worked out in following his views. Currency reform is the great need of the United States to-day. It may be assumed, however, that there are not to be many more foolish experiments or expedients. The nation wants banking unity and strength, with a sufficient expansion of the currency to meet the growth of business. The resources and experience of the American people are equal to the public demand for the development of a system at once broad, uniform and reliable.

Aviation Toll is Too High

With the feeling of horror existing since the death of Moisant and Hoxsey the people of America are placing themselves in opposition to aviation exhibitions. The toll in human life has been too high.

Practical experiments in pursuit of the science of air navigation need not be abandoned, but freak exhibitions in which men fly upward ten thousand feet or more, or assume other unnecessary dangers should be given up. They are doing more harm than good and should be discountenanced by the public. It is commendable in the Wrights and their competitors to abandon that sort of aeroplane exhibitions which have been so unfortunate in the last year.

In 1908 there was but one death among aviators; in the next year there were four; in 1910 the appalling total of forty was reached. Nearly every day in December brought a fatal accident. Moisant and Hoxsey were killed on the last day of the year, the former while exhibiting at New Orleans and the latter at Los Angeles, where he had just established a new record for high flying. The world does not require this sacrifice of life.

It is clear to the lay mind that science has not advanced far enough in the principles of

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

aviation to justify public use or exhibitions of airships. The death record goes to prove that air navigation in many of its essentials has yet to be studied and mastered by the world of science. There should be no more exhibitions until greater safety is assured.

Evils of National Extravagance

A nation can waste its surplus just as an individual can and must suffer in somewhat the same way. When practical bankers like W. T. Fenton think it worth while to point out the dangers of national extravagance it is time for people generally to consider what the extent and nature of these evils are.

One fault is that the idle rich of this country waste their money in Europe. It is apparent that the amount of American capital spent in the old world every year exceeds the average balance of trade between Europe and America. At first glance this nation seems to be doing very well when our exports are three hundred millions over the imports. Such a balance in our favor gives us new capital and serves to put fresh vitality into many industries. But what is gained if the balance of trade be in our favor to the extent of a third or a half billion and the moneyed classes turn around and spend as much or more in a season of extravagant living abroad?

It is not the cost of travel at which financiers complain but rather a reckless waste and the expenditure of vast sums for merchandise in Paris and London which ought to be circulated in the United States—in the country where the money is gained. In addition to this foolish buying there is the absolute squandering of American wealth in ultra-extravagant not to say vicious living. When we come to estimate this waste together with the vast sum which annually is sent abroad by foreign-born laborers in this country who intend ultimately to return to their native land to live, it becomes apparent that the United States is suffering under different kinds of unfairness and injustice.

Not many weeks ago C. B. Munday, vice-president of La Salle Street National Bank, explained in the columns of THE CHICAGO BANKER that the pressing need of this country is a larger difference between the amount received for exports and the amount returned to

Europe for imports or in the personal expenses of American tourists. A thousand other bankers are impressed with the same belief. A sure means of producing hard times is to let the balance of trade turn against us and logically a sure way to produce good times is to keep drawing more money from the old world than our people spend abroad.

New Banking Law

(Continued from page 6)

national bank notes has not been great. They have been growing at the expense of private banks, and in many cases have supplanted national banks of small capitalization.

Boy Private Banker Goes to Jail

A telegram from Peoria says that because Undertaker John Winzeler, bondsman with A. P. Haines of Chicago, feared E. W. Butler, the boy private banker of the Ellisville, St. David, and Glasford banks, would decamp before the embezzlement trial in the Peoria circuit court this month, he surrendered Butler to-night to the sheriff. Butler will remain behind the bars in the county jail until he can give a new bail bond.

Aliens and Private Bank Regulation

"Among the important decisions rendered by the federal supreme court says the Chicago Record-Herald, is one sustaining a New York statute for the licensing and regulation of certain forms of private banking—chiefly among the poor and the alien. The statute prescribes a license and a large deposit to insure honest dealing on the part of individuals or partnerships engaging in the business of accepting money for safekeeping or for transmission to other places and persons. This legislation was attacked as paternalistic, discriminatory and unconstitutional. The supreme court upholds it on the ground that, paternalistic or not, the state has the power to give special protection to the poor and ignorant who, as experience has shown, are often cheated by so-called private 'banks' conducted by aliens and, as a rule, connected with schemes for the encouragement of immigration and the brisk sale of tickets. The immigration commission expressly recommends further regulation of immigrant banks. It also suggests prohibition of the practice of dissuading aliens from taking out naturalization papers or placing their savings in American institutions. This suggestion deserves particular attention, for it refers to an evil little known to the general public. In the arguments against rigid regulation of private banks little account is taken of the havoc and mischief worked by 'banks' in the foreign quarters of large cities. The word 'bank' invites confidence and deceives those to whom it carries the implication of government supervision and guaranteed solvency. It is cheering to have a broad, advanced decision from the highest court that removes the constitutional bugaboo and enables legislatures to proceed to take the private banks in hand."

State Bank of Orient, Wash., shows in its report on November 10th, it had \$20,000 in deposits and its resources and liabilities are in excellent condition. P. H. Blohn is cashier and manager of the institution.

Service

When we speak of the "*Service*" rendered to customers we mean *The Best Service*, all that you reasonably expect from your bank. Our service includes a friendly personal interest in your business. *We* make it a part of our business to *give* such *time* and *attention* to our *customers* as their interests require.

CREDIT DEPARTMENT SERVICE

This department is organized for the purpose of collecting and tabulating reliable information regarding the standing and credit of banks, firms, corporations and individuals. Confidential inquiries from our customers and correspondents are carefully answered.

THE NORTHWESTERN NATIONAL BANK

MINNEAPOLIS, MINN.

The Bank of Security and Service.

THE MINNESOTA LOAN AND TRUST COMPANY,
Capital and Surplus \$1,100,000.00, is affiliated with this bank.

Combined Capital and Surplus, - - - **\$6,300,000.00**

Banking Opinion

"If congress would adjourn for about five years and let the country take care of itself everybody would be better off," declared President Byron L. Smith of Northern Trust to a representative of THE CHICAGO BANKER the fore part of the week. Mr. Smith was expressing himself with emphasis on the uneasiness which business men feel when congress begins to deal with the tariff and monetary questions.

"After several years of unreasoning agitation," said he, "we have reached a point where a bureau of the federal government assumes the power to prevent railroad corporations fixing freight rates according to necessity. The railroads are our heaviest buyers of important lines of merchandise but for the present they would not be justified in buying or building or improving beyond daily requirements. That makes a feeling of caution in other lines of industry and business is starting off very slowly.

"The country is not in a condition which indicates hard times. Merchants have had a satisfactory business and farmers are thriving. There is merely a slowing up all around and that leaves a lot of idle capital. Money is likely to remain easy on a 5 per cent basis for some time because there has been a rapid accumulation of funds in the last month and borrowers are not clear in their minds as to future conditions.

"It has been a popular thing in congress and elsewhere to attack the large business interests, particularly railroads, and it is high time for our public men to get on the other side. They ought to consider the fact that we need the railroads to lead the country's development and that the roads are the principal employers of labor and buyers of merchandise that we have. I have just heard of an in-

ventory taken by the Santa Fe Company in which it was shown to have eighteen million dollars' worth of merchandise in store. That is only one instance going to show the importance of the transportation companies to other lines of industry.

"It is not alone that the government denies the right of the companies to fix freight charges on a proper basis, but by the long delay in going over details of railway operation a great deal of injury is caused. Nothing hurts worse than uncertainty and that's why I wish congress would give it out clearly that business interests will be let alone for a time. That uncertainty which hinges on the action of the Interstate Commerce Commission in the rate matter is felt throughout the business world. It is causing an unnecessary curtailment in various directions. It has caused money to pile up here when it ought to be usefully employed in business. This stagnation may continue until there is a settlement of the freight rate controversy."

Questioned with reference to building and manufacturing President Smith said the outlook would be good if capitalists had more definite assurance against radical official acts. There is money enough for all trade requirements, and the consumptive power of the nation is the highest it ever has been. The year may easily be as good in general trade as the one just closed unless business men become alarmed. All bankers say that wholesale houses report a fair winter trade but the spirit of caution is so widespread at this time that it is bound to have some effect on the year's volume of business.

The directors of the Oxford Junction Savings have increased the surplus from \$6,000 to \$10,000 and declared an 8 per cent dividend.

Memphis Banks Show Splendid Statement

Fully bearing out every prediction made with regard to the rapid forward strides which Memphis has made during the past twelve months, a consolidated statement, showing the condition of all Memphis banks, has been prepared for the Commercial Appeal by Edward S. Elliott & Co., public accountants. The statement is most gratifying in that it shows that Memphis has continued to forge to the front in spite of the injustice done her by the census figures.

The total resources of all Memphis banks at the close of business December 31st amounted to \$55,287,198.68, as compared with \$48,463,935.87 on December 31, 1909, indicating an increase of \$6,823,262.81. After having paid their usual dividends of from 6 to 12 per cent each six months, it is found that the total earnings last year were \$162,564.72 in excess of the earnings of the year previous.

The deposits on December 31, 1910, were \$43,364,649.11, as against \$37,289,250.37 on December 31, 1909, counting one institution, the State National Bank, from the date of its last published statement, November 10, 1910. There has been one failure during the year and one bank sold out or merged. Several banks have paid their dividends of 1 per cent per month, all during the year.

The total bank clearings for the United States for the week ending January 7, 1911, were \$3,343,056.591, as compared with \$4,874,819.762 for the week ending January 8, 1910.

Compared with last year, the total bank clearings decreased 31.4 per cent. New York City reports a decrease of 40.6 per cent; Chicago of 14.5 per cent; New Orleans of 22.1 per cent, and Baltimore of 12.5 per cent, while St. Louis shows an increase of 1.3 per cent.



Irving National Exchange Bank

ANNUAL REPORT TO STOCKHOLDERS

TO OUR STOCKHOLDERS

For the year of 1910 our net operating profits amounted to.....	\$427,924.99	
Against which we have charged:		
Premium on additional U. S. Bonds purchased (reducing book value to par).....	\$3,339.85	
All other items.....	5,147.62	8,487.47
Leaving for distribution		\$419,437.52
Dividends paid (8%)	\$160,000.00	
Credit Profit and Loss Account.....	259,437.52	419,437.52

Our U. S. bonds are carried at Par and our guarantee account, not included in the assets, is valued over \$40,000.

The affairs of the bank, as usual, have been carefully supervised by your Directors, who have employed Messrs. Marwick, Mitchell & Company, Chartered Accountants, to make detailed examinations at different periods.

We again acknowledge our indebtedness to the kindness of our friends who are always so ready to aid in the steady increase of our business.

Yours respectfully,
LEWIS E. PIERSON,
President.

MARWICK, MITCHELL & CO. CHARTERED ACCOUNTANTS Bank Audit Department

New York, December 28th, 1910
Messrs. D. W. Whitmore, Chairman
Theodore F. Whitmarsh,
Gustav Vintschger,
M. M. Belding, Jr.,
John G. Luke,
Examination Committee.

Irving National Exchange Bank New York City

Gentlemen:

In accordance with your instructions we have made an examination of your Bank, as at the close of business on December 15th, 1910, and certify that the Statement of Condition as presented by us of that date is in accordance with the books and exhibits a full and true account of the Resources and Liabilities of the Bank.

We also find that the deposits have increased materially during the past year, and their ratio to quick assets shows the Bank to be in a strong financial position.

Yours very truly,
MARWICK, MITCHELL & CO.

STATEMENT, DECEMBER 31, 1910

ASSETS		
IMMEDIATELY AVAILABLE		
Cash in Vault and Checks for Clearings.....	\$8,202,440.60	
Due from Correspondents and Demand Loans.....	5,401,636.15	\$13,604,076.75
AVAILABLE WITHIN 30 DAYS		
Loans Due in 30 Days.....	\$4,163,310.90	
United States Bonds.....	1,190,000.00	
Other Bonds and Investments..	1,881,132.81	7,234,443.71
OTHER LOANS AND DISCOUNTS		
Due within 4 months.....	\$7,941,360.43	
Due after 4 months	4,567,321.24	\$12,508,681.67
		\$33,347,202.13
LIABILITIES		
CAPITAL	\$2,000,000.00	
SURPLUS AND PROFITS	1,797,953.43	
Circulation	1,189,000.00	
Deposits { Individual	\$14,482,984.29	
Banks.....	13,877,264.41	28,360,248.70
		\$33,347,202.13

TWELVE YEARS' GROWTH

Date	Capital	Surplus and Profits	Deposits	Assets
Dec. 31, 1898	\$ 300,000	\$ 53,400	\$ 2,045,400	\$ 2,651,700
Dec. 31, 1910	2,000,000	1,797,900	28,360,200	33,347,200

OFFICERS

JAMES E. NICHOLS, Vice-President	LEWIS E. PIERSON, President	BENJ. F. WERNER, Vice-President
DAVID H. G. PENNY, Asst. Cashier	ROLLIN P. GRANT, Vice-President	J. FRANKLYN BOUKER, Asst. Cashier
	HARRY E. WARD, Cashier	
	RICHARD J. FAUST, Jr., Asst. Cashier	

West Broadway and Chambers Street - - NEW YORK

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

St. Louis Chapter

The adding machine contests, conducted by St. Louis Chapter for the Burroughs Adding Machine Company, at the National Business Show, November 28th to December 2d inclusive, were handled in an efficient manner by Louis W. Fricke, assistant secretary of the Mississippi Valley Trust Company. L. P. Stone of the National Bank of Commerce captured first prize in the final contest, running 250 checks in three minutes and thirty-seven seconds. In one of the preliminary contests E. W. Smith of the Washington National surpassed the world's record for two-hundred-fifty checks, running that number in three minutes and thirty-five seconds and although Mr. Smith was beaten in the final contest he has the distinction of holding the record for two-hundred-fifty checks.

On December 6th, Hon. Shepard Barclay, former chief justice of the Supreme Court of Missouri, delivered an able and inspiring address before our chapter. Subject: "Lines of Self-culture for Bank Men." Judge Barclay's broad experience, in the law and in teaching business men, having for twelve years conducted a series of "Law Lectures for Business Men" under the auspices of the Young Men's Christian Association of our City, has peculiarly qualified him to speak to young men.

The evening of December 13th was given over to the debate committee. The subject, "Resolved that bank notes in the United States should be issued by a central association of issue," was ably taken care of by Messrs. E. L. Lalumier and W. R. Dorris for the affirmative and Messrs. R. R. Sleeper and S. L. St. Jean for the negative. The decision was awarded to the affirmative.

E. B. Clare-Avery, assistant cashier of the Merchants Laclede National, addressed the chapter on the evening of the 20th. Subject, "The Credit Department of a Bank." The large and appreciate audience which greeted Mr. Clare-Avery was indicative of the high esteem which he enjoys among the members of the Institute.

With a feeling of personal loss I take this opportunity of paying a last tribute to our friend and fellow-member, Eugene R. Berger, who has passed on to that bourne from which no traveler returns. At the time of his death Mr. Berger was a paying teller in the National Bank of Commerce, and vice-president of our chapter, had graduated in law about a year ago and was considered one of the brightest young bank men in the city. He will be missed by his bank, by the institute and by a host of personal friends in addition to his family and immediate relatives.

Herrick to Head Big Syndicate

New York, January 9.—Former Governor Myron T. Herrick, of Ohio, is coming to the front rapidly in the gigantic financial banking interests of the East. For some time securities of the Chatham National Bank and the Phoenix National Bank were quietly bought up. Suddenly these two great banking institutions were consolidated. Then it became known quietly among those who do know things in big moneyed circles that Governor Herrick was at the head of a syndicate that controlled the combination of these two banks.

But their consolidation was only a stepping stone to other things. Shortly the prosperous Mercantile National Bank will be combined with the Chatham and Phoenix. The Mercantile is owned almost entirely by the Goulds. With the addition of the Mercantile the combination will be completed.

Then will it become officially known that unless present plans go amiss Myron T. Herrick will be made the president of this powerful financial syndicate. These banks will form a linking together of about the oldest national banks of the country.

Just to show what the joining means: The Mercantile has a capitalization of \$3,000,000, surplus and profit account of \$2,726,000, circulation \$775,000, deposits \$10,283,000, banks' de-



J. FLETCHER FARRELL
Chicago

posits \$4,904,000, loans and discounts \$13,616,000 and cash and exchange \$3,745,000.

The Phoenix has a capitalization of \$1,000,000. It was organized in 1812 and in its statement published this week showed deposits of \$7,808,000. It goes in with the Chatham at a capitalization of \$30,000,000. Just what the capitalization of the three banks will be has not yet been determined.

The Chatham was organized in 1851 with a capitalization of \$450,000. It has surplus and profit accounts of close to \$2,000,000; individual deposits \$7,754,000, bank deposits \$2,408,000, loans and discounts over \$7,000,000 and cash and exchange close to \$3,000,000.

Trust Company of America

The Trust Company of America, Philadelphia, has accepted the resignations of Charles E. Mitchell, assistant to the president; Frank L. Hilton, secretary, and Frank W. Black, auditor, to take effect February 1st. On that day the men named will establish a partnership for the handling of investment securities.

G. W. Jones, for many years a prominent citizen of Kansas City and a stockholder and director in several banks, died last week.

Farrell's Merited Promotion

J. Fletcher Farrell, who for a year past has held the position of vice-president of Fort Dearborn National, has by election been added to the board of directors of that bank. There are no other changes in the board and the whole official staff has been re-elected, Messrs. Lampert and Farrell remaining as vice-presidents. Mr. Farrell came to Fort Dearborn National from Third National, St. Louis, and in the brief space of a year has earned recognition in Chicago as an active and capable banker. The rapid growth of the Chicago institution under Wm. A. Tilden's presidency proves that the staff as a whole is one of the ablest in the city and although comparatively a new man, Mr. Farrell has had a large share in the bank's development since coming to his present position.

Graduates to a Bank

Huntington, W. Va., January 9.—C. P. Snow, for 22 years connected with the Chesapeake and Ohio Railroad in an official capacity and for four years past superintendent of the Huntington Division of the road, tendered his resignation to President Stevens. In this connection it was also announced that Mr. Snow had been chosen as cashier of the Huntington Banking and Trust Company, a new institution to be established on February 1st. Mr. Snow will be succeeded as superintendent by H. H. Morris, of Handley, who has been trainmaster of the Kanawha coal district.

393 New Banks in the South

Atlanta, Ga., January 9.—During the year, 1910, 393 new banks were organized and began business in the South, with aggregated capital of \$7,420,000. Fifty-five banks that began business previous to 1910, increased their capital \$2,544,500 during the year just closed, making a total accession to the banking capital of the South of \$9,964,500. The total number of new banks includes 50 national and 343 state and private banks and trust companies.

The 1,460 national banks in the South have capital, surplus and undivided profits of \$258,020,000, as against \$240,401,000 at the close of 1909, a net increase of nearly \$18,000,000 for the national banks alone in 13 states.

Clearing House within Law

New Orleans, January 9.—The department of justice at Washington has blocked the effort of United States District Attorney Beattie to have the grand jury here indict the members of the New Orleans Clearing House Association for alleged violation of the Sherman anti-trust law in connection with the collection of a uniform commission for cashing interstate checks. This was learned when Mr. Beattie issued a statement in which he explained why the grand jury had not returned indictments. The attorney-general, he said, had held the law was not violated.

Boston Bank Increases Dividend

The National Shawmut Bank, of Boston, declared a quarterly dividend of 3 per cent, payable January 2d to stock of record December 22d. The dividend is an increase from a 10 per cent to 12 per cent basis.

The LIVE STOCK Exchange National BANK of CHICAGO

Capital Stock \$1,250,000.00 Surplus \$400,000.00

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Seeking a convenient and serviceable New York Depository, are invited to consider the careful and thorough service, and cordial co-operation we offer for the accurate dispatch of all business entrusted to our care—which is attested by the large and constantly increasing number and high character of our correspondents and depositors.

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West Broadway and Chambers Street, New York

Money, Banking and Finance from Chicago Viewpoint

Nothing could better illustrate the growing difference between New York and Chicago than the course of the two money markets in the last few days. Money never was easier or more plentiful in this city around the first of the year than it has been since the last week of December. On the other hand there has been a sort of stringency in New York which has kept rates on an unusually high level.

It has been a 5 per cent market for the regular run of commercial paper in Chicago since toward the end of the holidays. There has been a plethora of capital for all business requirements. Some of the new bond issues have sold fast. High-class bonds bearing anything above 4 per cent have found a ready market. Considerable secured paper also has been disposed of at 4½ per cent. No call money worth speaking about has been loaned for a month, but the quotation is 4 to 4½ per cent, as compared with 4½ to 6 per cent in New York. Funds for real estate projects have been available at 5 per cent or a little less.

What the Difference Indicates

The two markets have not been far apart on commercial paper, the New York banks having advanced their rates to a 5 per cent basis. Ordinarily Chicago is higher than the eastern metropolis. Six weeks ago the common rate here on mercantile paper was 6 per cent, while in New York it was 4½ to 5. Natural trade conditions are responsible for the reduced rates here. Collections became heavy around the first of the year. Much of the money due from the interior was a month or two months late owing to the fact that farmers did not market their produce as early as usual. The annual settlements came with a rush during the holiday period, easing up merchants and manufacturers as well as bankers. Distribution of dividends has added to the supply of idle capital. This market must remain easy until mercantile and real estate programs for the season have developed.

It became apparent last week that the New York money market was governed to as great extent as ever by the stock exchange. Call money followed the rapid fluctuations of Wall street securities. Firmness of stocks for two

days was sufficient to send the rate for call money up to 6 per cent. In the opinion of many bankers here as well as in the view of all borrowers the mere fact that stocks are strong is no legitimate reason for advancing money unless it be the legitimate function of bankers to attack securities when they are firm and seek to bring them down in price by putting up the rate for call money. These baleful fluctuations in New York ran call money from 6 to 14 per cent in one week about this time last year.

Money Supply is Supposed to Govern

Conditions which have made money plentiful in Chicago have created an abundance in all other cities. This is the time of a steady return from the interior, South and West, and commercial demands must be light for a few weeks. As a rule deposits are increasing and capital is stagnant. If the money supply is supposed to govern discount rates, as it is here, there is no justification for extremely high quotations in New York at this time. This is the view held by Chicago bankers, who look for a natural trade demand to cause an advance in money rates to a 6 per cent basis by the first of April.

It is not more than five years since bankers here were in the habit of sending money prices up or down according to New York fluctuations. To-day Chicago is operating on a strictly legitimate trade basis, much to the delight of merchants and interior correspondents, who dislike an unsteady or an uncertain market. It is the experience of every banker in this city that business men who are periodical borrowers hate an erratic money market. Few grumble at any money rates which are likely to be quoted in a period of bank competition. Six per cent is paid without protest when that is the uniform figure and when a keen demand for funds makes it a fair price. A lower market, with constant fluctuations, would be less satisfactory. In many cases the condition of money has an important bearing on large mercantile and real estate enterprises, and prospective borrowers are averse to having speculative interests interfering with their plans by bringing an element of uncertainty into the market.

Bond Dealers Reap Harvest

This is harvest time for bond dealers. Not for three years has the market been so favorable to them as it is at present. The large supply of money and the light mercantile demand explain the situation. If we are to have a season of easy money, as seems probable, the bond market will continue active and it will be a period of active real estate development. A large proportion of securities now on the local market represent building enterprises. This must remain a favorite form of investment in Chicago as long as such projects are so uniformly successful.

In the next two months the heaviest of the real estate issues will be out of the way and it is possible that the local market will be ready to absorb a large quantity of railroad securities. Financial people are looking for interesting developments along this line. It will surprise many if the transportation companies do not win their point regarding an advance in freight rates and if they do they will become large borrowers again. Not only this, but the moment the controversy is settled in favor of the roads there will be a revival in railway bonds and stocks of the better class.

Thus, if the railroads be allowed to enforce a reasonable increase in their freight charges it is generally believed that the dullness which everyone calculates upon during the early part of the year will be followed by a more or less marked revival not merely in the activity of transportation companies nor of concerns mainly dependent upon the railroads for contracts but in industry as a whole.

With the entire situation, present and prospective, favoring bond dealers they are making up for previous dullness. In other words, they are making hay while the sun shines.

Earnings of the Railroads

In discussing the propriety of a general advance, the brief filed by the railroads says that the increased rates will amount to \$7,000,000 less than the increased wages, or an addition to operation cost of that amount. The rates in existence when the wage increases were made were not too high, as is indicated by the free movement of traffic and the increasing prosperity of the territory.

Arguing that the present returns to inves-

\$3,000,000

INSURANCE EXCHANGE BUILDING

First Mortgage 5% Gold Bonds

Due November 1, 1925. (Issued by the Chicago Title and Trust Company, as Trustee) Total issue, \$4,000,000.

Bonds may be registered as to principal

Continental and Commercial Trust and Savings Bank, Trustee under the mortgage.

In the opinion of counsel, this issue is secured by an absolute first mortgage on property owned in fee simple by the mortgagor on Jackson Boulevard, extending from Fifth Avenue to Sherman Street, Chicago, and having a total area of 40,000 square feet. For further particulars regarding the bonds and their security, attention is directed to the letter of The Chicago Title & Trust Co., copy of which may be had on application, from which we quote:

"Upon this property will be erected at once, under the supervision of D. H. Burnham & Company, a modern 21 story, fire-proof building, to be known as the Insurance Exchange Building. This building will be the largest office structure in Chicago, the second largest and one of the finest of the kind in the world, and will be largely, if not wholly, occupied above the second story by underwriters and the local offices of the principal insurance companies of the United States and Europe. Already more than three-fifths of the office space has been leased to tenants of this class for a period of from 10 to 30 years, at an annual rental of over \$500,000, which is more than sufficient to cover all expenses, taxes and interest.

"Based upon these leases, and upon the experience of similar properties within the loop district, it is estimated that the annual results of operation will be substantially as follows:

"Gross annual income.....	\$813,337.50
Operation, repairs, insurance and taxes	270,000.00
NET INCOME	\$543,337.50
Interest on bonds (This item will decrease as the bonds mature and are paid).....	200,000.00
ANNUAL SURPLUS.....	\$343,337.50"

The following salient features of the issue are brought out in the letter above referred to:

These bonds are secured by an absolute first lien upon building and land, both of which are owned in fee by the mortgagor. They are not "lease-hold" bonds; that is, they are not bonds upon a building erected on leased land that does not itself come under the mortgage.

Title to the property is guaranteed by the Chicago Title & Trust Company.

The property securing the bonds will have conservative value of more than twice the outstanding indebtedness.

The annual net earnings, after the payment of operation, repairs, insurance and taxes, will be over 2½ times interest requirements.

Seven hundred and fifty thousand dollars of the issue, not now available, matures serially, 1915 to 1924. The debt and interest charges will therefore decrease each year, while the security will remain the same.

We recommend the purchase of these bonds by conservative investors among individuals, trustees, banks, insurance companies and institutions.

Price, 102½ to Net 4.75% Per Annum

BOND DEPARTMENT

**Continental and Commercial
Trust & Savings Bank
CHICAGO**

BOND DEPARTMENT

**First Trust & Savings Bank
CHICAGO**

tors are not excessive, the brief points out that the interest in 1908 on the total funded debt of the railroad companies in groups one, two and three, whose statistics are published by the commission, is \$142,000,000, a little less than 4 per cent. The dividends paid out of the income of that year amounted to \$114,000,000, or a little more than 4 per cent of the amount of the capital stock. Certainly these figures do not tend in the remotest degree to justify the claim that these companies derived earnings which were excessive considered with reference to the return which they enabled the companies to make to the holders of their bonds and stocks. And in this connection it may not be amiss to direct attention to the fact that \$34,000,000, the amount of the wage increase based upon the figures of 1909, is more than 30 per cent of the total sum paid in dividends.

Bank Profits are Large

The year 1910 was one of the best ever known in banking circles. Money was actively employed throughout the year at better than the average rates. Much of the time the volume of loans was at a maximum. At the same time losses were at the minimum. It was a year of healthy growth and expansion. The higher level of commercial paper made it a time of almost unexampled prosperity. There have been times when money was worth more to the commercial world but there never has been a time when banks had a more rapid or healthier growth. Their expansion was natural and their whole business spirited and safe.

Western bankers therefore are entering the new year with a feeling of prosperity and confidence. They do not look for as good a year in all respects as they enjoyed in 1910 but they know that the country is sound and that busi-

ness rests on a secure basis. It is only in an incidental way that the banks come in for a share of the prosperity in bonds. It is in times of commercial activity and railroad expansion that the banks fare best and the year is likely to have a slow start in these departments, although there is a general hope that the first of April will see all branches of trade moving at a lively pace.

Financial Position Improved

Without doubt the general financial position of the country has improved in the last six months. Exports are somewhat above imports and this always is a sure sign of prosperity. A decline in certain lines of imports indicates a disposition toward less foolish extravagance among Americans. The most encouraging feature, however, is the retrenchment in speculation in the West. This relates both to unproductive lands and the general run of unstable stock market securities. Interior bankers and merchants have greatly benefited by getting these weak spots removed. So far as land owners and farmers are concerned, they are in good shape. Improved property is at least firm in value and in many sections is advancing. Farmers are making less money than they have been accustomed to for the last ten years but they are in a strong position, with a prospect that this year will see higher prices for grain and live stock.

A notable fact in the history of 1910 is that the number of failures gradually fell off even through the money stringency. Production of large crops had a stimulating effect on the whole country. Liquidations were rather slow inasmuch as farmers held back their products for higher prices, but the fact that the year had turned out so favorably in the agricultural sections showed the country to be in a safe

condition and the feeling of encouragement spread to all classes.

New Guaranty Company

The Mortgage Guarantee Company of St. Louis announced plans for starting, this month, a new company to operate along its line of selling guaranty loans on real estate. The corporation not yet named, is designed to market loans in the class under \$5,000, thus supplying a demand made by small investors, which the older company has been unable to meet. The new company will have a capital stock of \$500,000. This will be offered first to the stockholders of the Mortgage Guarantee Company, which has a like amount of capital.

The board of directors of the Mortgage Guarantee is composed of Rolla Wells, A. L. Shapleigh, Tom W. Bennett, J. D. P. Francis, H. B. Collins, Fred G. Zeibig, Aaron Fuller, Richard T. Shelton, Dwight F. Davis, W. Julius Polk and George W. Niedringhaus. All of these men probably will be directors in the new company. Mr. Bennett had the following to say concerning the field for the new company:

"In the two years of the Mortgage Guarantee Company has been in business we have made and sold loans to the extent of several millions. We have had great difficulty in obtaining many small loans in amounts from \$2,000 to \$5,000 and have been utterly unable to accommodate a person who wanted to invest \$500, \$1,000 or even \$1,500. The new company will issue certificates which will be participations in large loans or in a group of loans. They will be issued in various denominations, will mature at various times, and the payment will be guaranteed."

Fire at Bedford, Iowa, damaged the Citizen's Bank \$2,000.



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OF ST. LOUIS

CAPITAL \$2,000,000

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C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin.**

H. P. Hilliard, president of the Central National, is of the opinion that while money will be plentiful enough, the next few months will show a policy of decided conservatism by Western bankers. In speaking of the financial outlook Mr. Hilliard said: "The business interests of this country are now beginning to realize there was a panic three years ago. Now after that panic numerous individuals and corporations tried to recoup suddenly what they had lost, or imagined they had lost, and there followed feverish activity in many quarters. More was manufactured, bought and produced than could be digested. This the New York clearing house in its wisdom saw, and it took measures to check the over activity. Banks out here and elsewhere took their cue from New York, and a second and probably greater panic was averted. Now things have finally reached their proper level, and the year is likely to be a prosperous one. However the banks have learned much, and will not be aggressive in their efforts to seek loans, promote new enterprise and increase production. And distinctly they will join in holding down the speculative tendency. Bankers in the West will be ready to meet all legitimate needs of commerce, agriculture and other lines of industry, but will not deplete their reserves, and will be in splendid shape to cope with any situation which may develop. There have been big crops, and the people in this region are prosperous, but there is a lot of left over material to dispose of, so that while the situation is eminently healthy and sound. I do not look for a boom year. Rates will fluctuate according to the reserve levels, and though rates are fairly low now, they may not be in a month or two months from this date."

Guaranty Law Decision

The decision of the United States supreme court upholding the bank guaranty law seems to have met with satisfaction among financiers in Oklahoma and elsewhere where such laws are operative. While opinion is far from unanimous as to the theory of deposit guaranty, the question is at least finally settled, and bankers know where they are in the matter. In Oklahoma the proposition has not been very satisfactory, and there is much dissatisfaction throughout the state. In his annual message to the legislature, Governor Haskell, of Oklahoma, shows that there is now only \$73,626 in cash in the bank guaranty fund out of \$840,392 paid in by the financial institutions since the passage of the law. The governor's report was the first since the failure of the Columbia Bank and Trust Company. About \$250,000 of "alleged assets" belonging to the guaranty

fund are also listed in the report, but \$500,000 is unaccounted for save by vague statements to the effect that it consists of Columbia assets. In spite of this showing, Governor Haskell says the total loss to the guaranty fund since the creation of the law will not amount to more than \$100,000 per annum.

Kansas Commissioner Talks

Bank Commissioner Dolley, speaking of the supreme court decision said: "I am much gratified with the sweeping decision of the United States Supreme Court regarding the guaranty of bank deposits. We have made wonderful progress with the law. In less than two years from the date of its passage it has been presented in three federal courts and the supreme court of Kansas. I am not surprised at this decision, as I have expected fully from the first that the principle of guaranty of bank deposits would be vindicated. The final result of this decision will be that every person who places money in any bank in the United States will receive back on demand 100 cents on the dollar. I believe many other Western states will enact bank guaranty laws during the sessions of their legislatures this winter." Mr. Dolley refrains from giving any facts and figures regarding the operation of the law in his state, satisfying himself, simply, with the above glittering generalities.

St. Louis Banker to Wed

The engagement of Mrs. Elizabeth Bissel North, daughter of Daniel Bissel, of Bissel Station, St. Louis county, and Henry P. Hilliard, president of the Central National, has been formally announced. The wedding will take place on January 17th, and will be a very quiet affair, the couple departing at once for Mr. Hilliard's plantation in Louisiana. Mr. Hilliard came from Austin, Texas, several years ago to form a connection with the Mechanics Bank. Later he was vice-president of the Mechanics-American National, which position he resigned to become head of the Central National. He served a term as president of the Texas Bankers Association, and has held offices in the American Bankers Association.

One Way of Advertising

The American National of McAlester, Oklahoma, has hit upon a novel way of popularizing itself with its clientele. Last week it entertained the presidents and cashiers of all banks in the surrounding territory who do business with it; also its larger depositors, with an elaborate banquet. Markets of the big cities were drawn upon to supply delicacies with which to please the palates of the guests. After everyone had eaten as much as he wanted and

listened to toasts and short speeches, the party adjourned to a theater to complete the evening's entertainment. It is said that the banquet will become an annual thing after this.

Enid Bankers Win

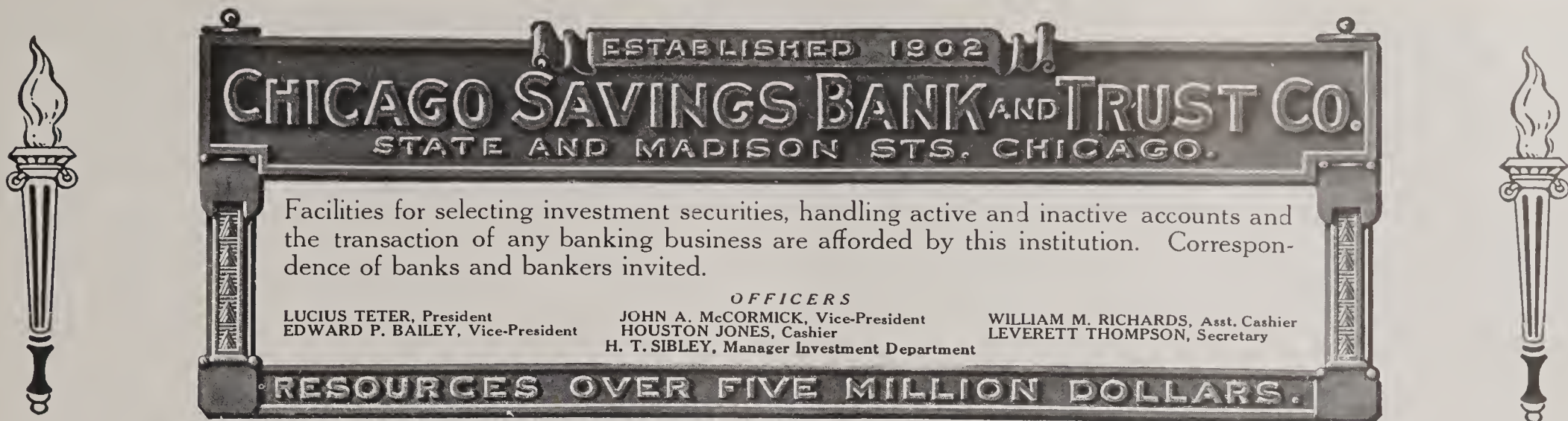
Holding that the constitutional provision insuring equitable and just taxation had been violated, District Judge Steen decided this week in Enid, Oklahoma, in favor of the Enid banks in their suit seeking a reduction in their tax assessments. His decision holds that the banks should be assessed at only 60 per cent of the value. The decision is considered important, as it will doubtless set a precedent for all the financial institutions in the state.

Missouri Lincoln Trust

The process of liquidation of the affairs of the Missouri Lincoln Trust Company, which was closed in 1907, at the suggestion of the associated banks of St. Louis, has been slow. The last report indicates that about two years more will be required to wind up its affairs. In the last six months \$665,175 has been liquidated, leaving still resources of about \$2,010,718. According to the statement just issued by President W. F. Carter, the excess of assets over liabilities is \$1,082,842. The capital stock outstanding is \$2,499,800, par value. The surplus of \$1,000,000 was wiped out as a total loss. The apparent loss on the capital is \$1,416,957, making a total apparent loss of \$2,416,957, or 69.05 per cent on the capital and surplus. This company, with the two institutions that went down with it and which were under control of Doctor Pinckney French, form one of the very few dark spots which have developed in St. Louis banking history in the last two decades. Now, according to the statement, the Missouri-Lincoln has resources of \$2,010,718, as follows: Loans secured and unsecured, \$326,280; loans, real estate, \$807,890; stocks and bonds and investments, \$664,759; real estate, estimated value, \$211,789; and debentures, \$1,000,000.

State Banking Business Grows

John E. Swanger, Missouri State Bank Commissioner, has just presented his biennial report to the governor in which he states that the banking business in Missouri has kept pace with all other lines of business during the last two years. He says the banks increased in numbers since January 1, 1909 from 1,021 to 1,108, and the number of trust companies receiving deposits have increased from forty to fifty during the same period, making total increase of ninety-seven in these institutions. Further Mr. Swanger says that the capital of these institutions has increased from \$46,224,-



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LEVERETT THOMPSON, Secretary

RESOURCES OVER FIVE MILLION DOLLARS.

730 to \$51,239,570; their surplus from \$43,294, to \$44,928; their loans from \$218,556,403 to \$260,508,184; and their total deposits from \$257,451,335 to \$292,386,091, while the resources have increased from \$353,434,347 to \$395,024,296. In addition to the above there are thirty-one trust companies subject to examination, which do not receive deposits. Several banks have been forced to close their doors in the two years covered, but in no single instance has a dollar been lost by depositors. To this latter fact Mr. Swanger points with no small degree of pride. He frankly admits that the Missouri banks are conservatively conducted, and ably supervised.

Postal Bank Opened

The first postal savings bank to be tried in Missouri was opened last week at Carthage, with total deposits of \$326. Quite a number of persons wished to make \$100 deposits but were refused because the office ran out of larger certificate blanks and is wanting in supplies.

Wheat is Strong

Wheat has shown decided strength and greater activity since the dollar level was reached. While the export trade is only moderate it compares well with the movement when prices were 10 cents lower. The foreign demand is a feature of the trade that holders are compelled to study. At no time in recent years has Europe shown such a disposition and ability to get along without American wheat as at present. Prices here are not above an export basis, however, and a pretty large sum total of grain is going out from eastern ports every week.

Deliveries in the country are restricted by severe weather and figures show a falling off in stocks at leading primary markets. The winter wheat crop is going through a critical period. There is not a sufficient bed of snow on the ground in the wheat belt and alternate thawing and freezing are hurting the sprouts. There will be sixty days of this uncertain condition with respect to the next crop and if Europe continues to offer present prices for our surplus there is likely to be a good market for the remainder of the winter.

Exports last week increased 400,000 bushels, while receipts at interior points fell off 1,000,000 bushels. The Modern Miller's report was rather bullish, stating that a large area of winter wheat was unprotected by snow, and reports of damage were being received. The shipments from the Argentine were small and shipments from other countries were not heavy.

The Chicago market has witnessed heavy trade between \$1.01 and 1.02 within the week.

The corn market was moderately active and very steady. The advance in wheat had

some little influence, and there was further buying, encouraged by the heavy decrease in the movement West. The receipts have fallen off 1,500,000 bushels in one week, while there has been a good export demand, and Bradstreet's clearances were 2,294,000 bushels, or double the previous week. There has been a good export demand for corn of late, due to the sharp advance in the Argentine, and the Argentine prices are higher than the American for corn.

In the Chicago market May corn has touched 50 cents. While this is an encouraging advance the market still is about 20 cents under that of a year ago.

Bankers are Optimistic

Optimism in the banking outlook for 1911 is expressed by representative bankers of the country as carried in telegraph dispatches. The following are some of the expressions:

Ralph S. Stacy, second vice-president of the National Bank of Commerce of Seattle: "The best feature of the present outlook here is a somewhat better demand for labor. We do not look for a great revival in business conditions during 1911."

C. H. Huttig, president of the Third National of St. Louis: "One of the most encouraging features is the probability that congress will, at its spring session, pass a satisfactory bill. The money prospect is for an abundance of loanable funds."

A. C. Jobas, vice-president First National of Kansas City: "I do not look for any material revival of business during 1911, but am of the opinion that conditions will run along very much as they are now until after another crop shall have been harvested."

Graham G. Lacy, vice-president of Tootle-Lemon National of St. Joseph, Mo.: "I think the most healthful feature is the determination of bankers to put a curb upon speculation of all kinds and insistence upon the conduct of all business along more conservative lines and a careful scrutiny of all credits."

F. O. Watts, president of the First National of Nashville: "Big crops of every kind, the slowing down in manufacture that is present and the slight degree of personal and general economy that trails such a period as 1910 will more than likely make easier money market during 1911."

Caldwell Hardy, president Norfolk National of Norfolk, Va.: "The situation in a broad sense needs intelligent legislation and it is to be hoped that we may get something eventually from the monetary commission and congress."

W. H. Bucholz, vice-president of the Omaha National: "A decided check to extravagance and a conclusion to curtail speculation are encouraging features of the outlook."

W. H. Manley, president of the Security National of Sioux City: "The most helpful fea-

ture is disposition on the part of the banks to make no advances for speculative purposes, but to confine their engagements to legitimate business requirements."

H. B. Wilcox, president First National of Baltimore: "One of the most helpful features is the fact that our bankers have been preaching a doctrine of 'go slow' for some time past, which we think is having its effect."

Francis B. Reeves, president of the Girard National of Philadelphia: "I consider the most helpful feature of the outlook is God's generous rewards to honest labor in the large returns to be expected from our crops and mines."

Texas Sure of A. B. A. Convention

San Antonio, Tex., January 8.—That San Antonio will secure the next meeting of the American Bankers Association is now considered almost certain. Ernest L. Brown, cashier of the Alamo National Bank, is in receipt of letters from forty of the eighty-four members of the executive council, which has the selection in hand, pledging support to San Antonio. He believes there is no doubt but what he can secure the other five votes necessary. In fact, the indications are that San Antonio has been left practically a clear field. So sure do the bankers feel of securing the convention that the matter of entertainment is being discussed.

Following the convention, it is probable the delegates will take a trip over the state in a special train, visiting all of the larger cities.

Annual Statement Northern Trust Co.

The Northern Trust Company's (Philadelphia) thirty-ninth annual statement shows assets of \$8,421,321, exclusive of trust funds and trust investments. The bond investments owned amount to \$2,864,745 and the first mortgage loans on real estate \$1,378,620. Time and call loans aggregate \$3,286,442.

The directors of the Northern Trust Company declared a quarterly dividend of 3 per cent, being an increase of one-half per cent, and increasing the stock from a 10 per cent basis to a 12 per cent basis. The dividend is payable January 16th to stock of record January 4th. One hundred and twenty-five thousand dollars was added to surplus, making that account \$1,400,000.

Columbus Clearing House

Columbus, Ohio, December 31.—The annual statement of the Columbus clearing house for 1910 shows a total business handled of \$308,187,000, as against \$307,648,000 for 1909, a new high record.

The damage by fire to the Gillett Grove (Ia.) Savings Bank last week was \$3,000 of which \$1,500 was covered by insurance.

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The only cause for apprehension that appears in the banking situation to Walter H. Holmes, president of the Pioneer Trust Company of Kansas City, is continued drought in the Central West. "A single crop failure would not be of serious import," said Mr. Holmes, "but a general crop shortage would be very seriously felt here. I do not look for a continuation of dry conditions, however. It has been my experience that with expert cultivation of the fields our farmers are accommodating themselves to varied climatic conditions as never before. There was a time when a failure of a single crop—corn for instance—would mean hardship to our people. Nowadays any one crop could fail and we would not be seriously effected. At any rate we are in as fortunate position as the people in the East who are quite as dependent upon our crops as we are."

"The banking situation in this district is more than satisfactory. It is most encouraging. There is plenty of money and rates are lower than they were a year ago. Deposits are satisfactory and the farmers and others are enjoying a high degree of prosperity. The new year is beginning well for Central Western bankers who drew their revenues from the soil and who naturally keep their eyes upon the farmers without paying much attention to Wall Street."

Expect Little Change in Money Situation

"Our business is more than satisfactory," said Mr. W. H. Winants, president of the Mercantile Bank of Kansas City to a representative of THE CHICAGO BANKER last week. "There is very little fluctuation in either the demand or supply of money. As far as we are concerned we do not look for any important changes in conditions soon. The Mercantile Bank is doing well and, from all that I can see, must continue in the same way for some time to come." Mr. Winants is one of the most experienced bankers in the West and has been connected with the most important financial institutions of Kansas City for more than a quarter of a century.

"There is little change in conditions since I made my last statement to THE CHICAGO BANKER several weeks ago," said James T. Bradley, cashier of the National Bank of Commerce. "The new year promises much to our people in this part of the country and, save for the drought, which may be broken at any time now, the situation was never more satisfactory within my experience. Of course that drought worries us some but then it cannot be serious enough to bring on hard times. Farmers are not so dependent upon single crops as once they were and there is still plenty of grain in the West to take care of the stock. Deposits are normal for this time of year and so is the demand. The present call for national bank statements, I believe, will find all of our banks in prime condition."

H. L. Jarboe Joins Drovers' National

Following the recent acquisition by the Morris interests of the controlling interest in the Drovers' National at the Kansas City stock yards, came the election of Harry L. Jarboe, Jr., as president. Mr. Jarboe was vice-president of the National Stock Yards Bank of St. Louis. He is well known in Kansas City and the Southwest and was for several years president of the Oklahoma State Bank of Chickasha, Okla. Mr. Jarboe will be one of the

youngest bank presidents in the Central West being only 36 years old. Speaking of the change he has made Mr. Jarboe said: "You have here a city of wonderful possibilities and each time I come here I feel this wonderful business growth. We hope to enter into this growth, to become a part and parcel of it and every effort shall be bent toward the upbuilding of the city as well as the institution in which I shall be directly interested."

Want Nationals under Guaranty Law

As was anticipated in the last issue of THE CHICAGO BANKER, the decision of the United States supreme court in upholding the bank deposit guaranty laws of Nebraska, Kansas and Oklahoma, created no end of interest in Central West territory. For years the controversy over the legality of these bank guaranty laws has waxed furious and hundreds of minor cases of litigation have hung upon the final outcome. In Oklahoma nearly half of the banks that were eligible under the law to participate in the guaranty plan held out under the belief that the law would be declared unconstitutional. There is now a scramble among the banks of the new state to get into the procession. In Kansas a much larger proportion of the state banks accepted the guaranty privilege although in both Oklahoma and Kansas this is purely optional. In Nebraska it is obligatory upon all state banks to join in the guaranty insurance.

In his last message to the Oklahoma legislature Governor Haskell last week summed up the result of the guaranty law thus: "Experi-

ence has fully demonstrated from the standpoint of public welfare, the complete efficiency of the Oklahoma law, and the complete failure of the national banking law." The total net collections of the Oklahoma guaranty fund up to December 31st, last, were \$818,740.65. The total cash in the fund on that date was \$73,626.59, and other cash items were \$260,161.09, making the total cash and cash items in the guaranty fund on December 31st, \$333,787.68. The net loss to the bank guaranty fund to that date is therefore shown by deducting the balance on hand from the net collections, to have been \$484,952.97. To cover this loss there remains on hand about \$800 of wrecked bank assets.

Since the decision of the supreme court the friends of bank guaranty in Kansas have been busy formulating amendments to the law that will permit national banks to participate in the guaranty scheme. After several consultations among the legislators now gathered in Topeka it has been decided to present the amendment as proposed by State Senator Fred Quincy, of Salina, to the legislature. There are two features to the Quincy amendments. The first devises the plan for participation of national banks in the guaranty fund through a trustee and the other wipes out the 3 per cent interest limit and permits the state bank commissioner to fix the limit. Here is the section relating to national banks as prepared by Senator Quincy:

"After the passage of this act any national bank doing business in the state of Kansas, under the laws of the United States, after an examination at its expense by the state bank commissioner, and upon his approval as to its financial condition, may at its option participate, either directly or through a trustee for its stockholders, in the assessment and benefits of the bank depositors' guaranty fund of the state of Kansas upon the same terms and conditions as apply to state banks; provided that receivers for guaranteed national banks appointed under federal law may take charge of and wind up the affairs of such banks as required by such law, and perform the duties required of receivers under this act for such banks; and provided further, that such national banks shall forward to the bank commissioner of the state of Kansas detailed reports, in form to be provided by him, of its condition on the date of the usual called statements of state banks, such report not to be published except at the option of the bank, and shall submit to one examination each year by his department, or oftener in his discretion, as provided by the banking laws of the state of Kansas, and pay the usual fees therefor. Should a guaranteed national bank disregard, or refuse to comply with, any recommendation made by the bank commissioner, in conformity with the provisions of this act, it shall immediately be subject to the provisions and penalties of this act and its certificate in the bank depositors' guaranty fund shall be canceled and its bonds, or money in lieu thereof, deposited with the state treasurer, shall be forfeited for the benefit of such fund."

Robbers Continue to Work Undaunted

Undaunted by the activity of the authorities the gang of bank robbers that have been operating in the Central West continue their work and apparently with increasing success. The most remunerative raid of the past week in this



Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequalled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

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W. J. SMITHSON, Assistant Cashier

**The Old National Bank
OF SPOKANE**

REPORT OF THE COND TION OF THE CORN EXCHANGE NATIONAL BANK OF CHICAGO

At the Close of Business, January 7, 1911

RESOURCES		
Time Loans.....	\$27,205,769.58	
Demand Loans.....	8,693,062.90	\$35,898,832.48
Overdrafts.....		3,345.45
United States Bonds.....		1,700,000.00
Other Bonds.....		1,920,666.00
New Bank Building.....		2,000,000.00
Cash on Hand.....	\$11,029,308.75	
Checks for Clearing House.....	1,775,425.76	
Due from Banks.....	11,413,719.66	
Due from Treasurer U. S.....	196,000.00	
		24,414,454.17
		\$65,937,298.10
LIABILITIES		
Capital.....		\$3,000,000.00
Surplus.....		5,000,000.00
Undivided Profits.....		569,319.91
Circulation.....		1,193,797.50
Dividends Unpaid.....		10,156.00
Deposits—Banks and Bankers.....	24,816,434.06	
Individual.....	31,347,590.63	
		56,164,024.69
		\$65,937,298.10

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ERNEST A. HAMILL, President
 CHARLES L. HUTCHINSON, Vice Pres.
 JOHN C. NEELY, Secretary
 CHAUNCEY J. BLAIR, Vice President
 FRANK W. SMITH, Cashier
 D. A. MOULTON, Vice President
 J. EDWARD MAASS, Ass't Cashier
 B. C. SAMMONS, Vice President
 JAMES G. WAKEFIELD, Ass't Cashier

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 WATSON F. BLAIR
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CHICAGO, ILL.

district was the looting of the Bank of Houstonia, Mo., early Sunday morning, January 8th. It is believed that this work was done by the notorious Wymore, Neb., gang and that at least five men participated in it. It was about 3 o'clock in the morning that some of the citizens of Houstonia heard the first of a series of explosions. These explosions were so muffled that no one paid much attention to them. Early Monday morning the station agent discovered the doors of the bank open and an examination showed that the vault had been blown and \$2,000 taken. This was all the money in the bank at the time. The robbers had carefully cut all of the telephone and telegraph wires leading out of town and by the time the county officers were notified the robbers had made their escape.

The Bank of Houstonia was robbed three years ago in a similar manner when \$1,500 were taken. J. P. Higgins is president of the bank and G. E. Longan is cashier. These men are firmly of the opinion that the activity of the Kansas authorities in hunting down the gang has driven it to operate in Missouri. W. F. Keyser, secretary of the Missouri Bankers Association, who lives in Sedalia, says he will pay a reward of \$500 for the arrest and conviction of each robber concerned in this work. The robbery of the Bank of Houstonia is the third to occur in Missouri since January 1, 1911, the total loss to Missouri banks in these robberies being \$10,000.

Owing to the apparent impossibility of proceeding effectively against the robbers with the present machinery of the law, the Kansas authorities called a meeting of chiefs of police and town marshals at Wichita last week. At that meeting the whole matter of the bank robbery epidemic was discussed and secret measures were adopted to co-operate in patrolling the northern and southern lines of Kansas. It is the opinion of those best posted that two distinct gangs are at work in this district although there is some sort of understanding between the leaders about division of territory as one gang never invades the territory of the other. It is now practically certain that one gang of bank robbers makes its headquarters at Wymore, Neb. The Nebraska authorities admit that this is true but say that the local officers are not strong enough to capture the gang. Figures given out by the Kansas banking department show that within the last three

months thirty banks have been robbed in the state and that these crimes have netted the robbers \$100,000. And in all of these operations not a single man has been captured or wounded so far as can be learned. With the exception of a suspect held in Kansas City the officers have no clue as to the names of the robbers or their numbers or authentic information as to their method of work.

In Oklahoma the southern gang is not quite as active as the Wymore contingent although it has been quite successful. Many banks and postoffices have been looted this winter and W. B. Harrison, secretary of the Oklahoma Bankers Association, has issued a warning in which he says: "We are absolutely sure of the existence of a gang of nineteen men which is operating in this state." In a house where a gang of robbers lived at Cherokee, which was discovered last week, was found a quantity of dynamite, tools and one thousand dollars in stamps with other small booty. The Oklahoma banks that have been robbed within the past ten days supposedly by the same gang are, the Bank of Jefferson, safe blown, \$3,000 taken; Bank of Prue, held up, \$1,700 taken; Cotton Exchange Bank, Crawford, held up, \$1,300 taken; North Muskogee Bank, safe blown, \$1,600 taken; Citizens' State Bank, Driftwood, safe blown, \$2,500 taken. Post-office robberies have occurred at Goltry, Pond Creek, Okeene, Ponca City and Jefferson. Secretary Harrison believes that the headquarters of this gang are Oklahoma City, Anthony, Kan., and that at least part of the gang hangs out at Arkansas City, Kan.

The bank robber suspect held in Kansas City was arrested Monday night, January 9th. A. L. Spence of the Pinkerton service had him picked up on the streets and at a police station he was thoroughly "sweated." He gave his name as Thomas McLaughlin, and is believed by the police to be connected with the "Wymore" gang. As yet little has been made public that indicates that the police have the right man.

Abeline Bank Issues First Certificates

The first certificates to be issued under the sustained bank guaranty law of Kansas were issued last week to the creditors of the Abeline, Kan., State Bank which was closed November 22d last, following the disappearance of Cashier John Flack. The certificates show

that the depositors have claims against the state guaranty fund to the amount of \$50,000 and interest has secured from November 22d. The certificates will not be paid until the affairs of the bank are wound up and all the assets have been realized upon.

Postal Bank Runs Short of Supplies

The postal savings banks of Missouri and Kansas were located at Carthage and Pittsburg, respectively. During the short banking week that marked the opening of these institutions business was much better than had been anticipated. At Carthage, from Tuesday to Saturday, inclusive (January 3d to 7th) the postal deposits amounted to \$3,245.70. Only a limited supply of certificates were on hand and the postmaster was forced to turn away at least one hundred depositors who wished the \$100 certificates. The farmers of the neighborhood were the best customers. In the week 648 persons deposited amounts ranging from \$1 to \$5. There were almost twice as many deposits of \$1 as of \$5. At Pittsburg, Kan., the opening of the postal bank came at what is locally known as "between pay days" when money is scarce. The deposits were small in denomination and in total amount but Postmaster Watson predicts that during the next few weeks the deposits will average \$250 a day.

Re-elect Woman Head of Rosedale Bank

Mrs. Minnie Y. Trickey has been re-elected president of the Commercial State Bank of Rosedale, Kan., a suburb of Kansas City. Mrs. Trickey has been president of this bank for two years and under her administration the deposits have increased and the bank has prospered wonderfully. Mrs. Trickey is also city treasurer of Rosedale which position she has held for six years. She is one of three women members of the Kansas State Bankers Association.

Well Known Missouri Banker Dead

W. A. Symington, for twenty-six years a banker of high standing in Pleasant Hill and Independence, Mo., died last week of double pneumonia at his home in Independence. He was 64 years old and a native of Missouri. Mr. Symington entered the banking business in the Citizens Bank of Pleasant Hill, Mo., in 1884, moving two years later to Independence, where he became cashier of the Anderson-Charles Bank. When that institution was

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merged with the First National of Independence in 1888, he was cashier of the larger bank which position he held until last July when he resigned to become treasurer of the Home Deposit Trust Company of Independence, a new concern.

Kansas City Clearings

Kansas City continues to hold sixth place in the bank clearings of the country, a position which it has not relinquished for six months. Its closest competition is Pittsburgh, which last week lost by 9 per cent, while Kansas City showed a gain of 6.4 per cent. Kansas City's clearings for the week were \$49,228,000. Omaha with \$12,938,000 showed a decrease of 9.5 per cent, while Wichita came up with the remarkable showing of 59.8 per cent gain. St. Joseph, Mo., suffered a slight decrease as did Oklahoma City.

Banking Notes

The annual election of the First State Bank of Kansas City, Kan., was held January 3d. The following were elected: J. O. Gaskill, president; C. W. Green, vice-president, and F. A. Braeken, cashier. A dividend of 20 per cent was declared.

William C. McClain, of Coffeyville, Kas., died last week, aged 51 years. He was prominent in Kansas banking circles and for years was identified with the banks of Huron and Peru, Kansas.

T. G. Gresham, supervisor of building and loan associations in Missouri in his annual report to Governor Hadley shows that there are 130 associations in the state, a gain of seven during the past two years. The total capital stock of these associations aggregate \$56,939,800 and the total resources are \$11,431,451.72.

The Bank of Grannis, Ark., was blown up January 7th. The robbers secured about \$1,500 while the damage to the building and the vault amounted to about \$3,000.

John Lewis, of Strong City, Kan., is probably the youngest bank cashier in Kansas. He is only 20 years old and is cashier of the Strong City State Bank.

C. S. Jobs, president of the Security National of Kansas, addressed a meeting of the Kansas City Institute of Banking, January 5th.

At a dinner given by bankers and bank employees at the Kansas City Athletic Club, Tuesday evening, January 10th, the Bankers' Club of Kansas City was formally organized.

Virgil K. Tuggle, assistant cashier of the New England National of Kansas City, and Thornton Cooke, treasurer of the Fidelity Trust Company of the same city recently attended a meeting of the council of administration of the Missouri Bankers Association at Sedalia, Mo.

The executive council of the Missouri State Bankers Association met at Sedalia, Mo., January 5th and decided that the next state convention of the association should be held in

Kansas City, May 24-25. The association now has a membership of 1,299. The following bankers attended the meeting of the council: A. O. Wilson, St. Louis, president; A. H. Waite, Joplin, vice-president; R. K. Calkins, St. Joseph, treasurer; W. F. Keyser, Sedalia, secretary; A. L. Duff, Windsor; V. K. Tuggle, Kansas City; T. K. Shelby, Wellsville; Thornton Cooke, Kansas City; C. M. Knapp, Rolla;

Talk No. 51



The Cashier Says:—

"As I was coming down on the car this morning I met one of the Burroughs men and he handed me this little folder. Told me it was about a new machine the company was building.

I thought when we bought our last machine that it was just about the Acme of Adding Machine perfection but it seems that the Burroughs people are now building what they call a Duplex machine. It's really two adding machines in one. Instead of having only one set of adding wheels this machine has two and by simply moving a lever on the keyboard you can add on either the upper or lower set of adding wheels.

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I believe we could save about an hour a day with one of these machines in handling yesterday's and to-day's balances and also in taking off our Debit and Credit Balance.

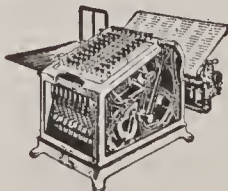
By the way I'm going down to the Burroughs office after lunch and I would be glad to have you go along if you are interested.

I'll also give you their address and you can write them for information about the Duplex machine. They will be glad to tell you all about it."

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L. S. Thorp, Meadville; F. T. Hodgdon, Hannibal; Simon Conin, California, and H. R. McCutcheon, Holden.

J. W. McGhee, ex-president of the Bank of Pruden, Mo., hanged himself last week. He had been in ill health, brought about, it is thought, because of his removal from bank office.

Postal Banks Prove Successful

Washington, January 8.—The postal savings bank system is a success. The short time that the chain of banks has been in operation has convinced Postmaster-General Hitchcock of this, and when the first returns of deposits are in there is no doubt that a splendid showing will be made.

All the reports that have been received indicate a favorable reception for the new banks and a very general desire to make use of these new savings depositories. Inquiries are still pouring in for information as to the workings of the new system. Some valuable suggestions also are being received.

Among the latter is one from a southern postmaster that the department provide special literature, easily understood by children, describing the operations and rules governing the banks, for distribution to school children. Many teachers have made detailed inquiries, with the object of informing and instructing their scholars.

The postmaster at Pekin, Ill., reported yesterday that a woman came into his office with \$60 in dimes, representing her savings for a year. She was furnished a proper certificate for her deposit, and left apparently happy.

At Brunswick, Ga., the postmaster reports that he has received an unusual number of requests to accept deposits for children under 10 years of age. Ten years is the age limit for deposits.

At Manitowoc, Wis., the postmaster reports that a number of "show" men, sailors and commercial travelers offered deposits on condition that they be permitted to draw against them at any other postoffice. As that is against the regulations they had to be denied.

Many of the postmasters where the new banks are located are receiving deposits by mail from people who live beyond the delivery of their offices, but who are attracted by the government guaranty behind the postal savings banks.

Adds One Million to Surplus

The Union Trust Company, of Pittsburgh, added \$1,000,000 to its surplus fund during 1910, besides paying dividends amounting to \$1,000,000. The surplus and undivided profits of the company now amount to \$27,500,000.

Dr. C. B. Alexander, formerly president of the First National of Mabton, Wash., has purchased the controlling interest in the First International Bank of Kennewick, and changed the name to the Bank of Kennewick. He has become cashier, C. E. Klitten is president.

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Vice-PresidentCHARLES G. FOX
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F. W. OLIN
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Bank Elections

Practically all of the Chicago banks held their annual elections for officers and directors this week. Principally among the changes made was the election of George M. Reynolds as president of the Continental & Commercial Trust Company. W. I. Osborne retired as president and E. A. Potter, former president of the American Trust, declined a re-election as chairman of the board for the Continental & Commercial Trust. This puts Mr. Reynolds in direct charge of two hundred ten millions in resources, the deposits being around one hundred seventy millions in the two institutions. It is an open secret among Mr. Reynolds' friends that he expects before many years to have two hundred fifty millions in deposits. In the election of directors in the Reynolds' banks Robert Dunham was made a director and Edwin Cudahy succeeded the late Michael Cudahy his father. Those retiring from the board are George E. Roberts, W. C. Seipp, and Henry Botsford.

There are three new directors on the board of the Union Trust. They are Marvin Hughitt, Jr., Richmond Dean, and W. V. Kelley, the iron manufacturer.

National City stockholders approved the increase in capital from one million five hundred thousand to two million and the new shares will be issued April 5th at par. Richard C. Hall, Clayton Mark, and R. U. Lansing, manager of the bond department, were elected to the board.

Edward Tilden was elected to the Drovers Deposit National to succeed R. T. Forbes who went to St. Joseph, Missouri, to become president of the First National of that city. John Fletcher, who has been managing the bank with such fine success, was re-elected a vice-president and will continue to be its active head.

L. C. Wagner, who was president of the Washington Park National, has been elected president of the Englewood State Bank and Isaac N. Powell is the new president of the Washington Park National.

Northwestern Trust & Savings declared an eight per cent dividend, this being an increase of two per cent over the former rate.

Woodlawn Trust & Savings added twenty thousand dollars to its surplus, having earned nearly seventeen per cent of its capital stock, and the dividend rate is eight per cent.

La Salle Street National stockholders adjourned until February 7th. In the meantime the present officials will remain in charge. This

adjournment was taken chiefly on account of President Lorimer's absence in Washington. In practically all of the other instances the old directors were re-elected and they promptly reappointed the present officials for another year.

Two new assistant cashiers were elected at the Monroe National. Matthew A. Berg and Robert H. Lee, formerly paying and receiving tellers, were promoted on merit.

Harris Bank Opens

Champaign, Ill., January 9.—The fine new buff stone building of the First National, one of the possessions of the Harris family, has been opened with a big reception to the public. Champaign loyalists believe it to be the handsomest banking room and building in the world. The new building is at the corner of Main and Walnut streets, almost in the heart of the city. Representing, as it does, an investment of a quarter of a million dollars, it stands as the most practical, yet withal the most beautiful, symbol of the faith which the stockholders and officers of the institution have had in Champaign county. Absolutely fireproof throughout, with every convenience and luxury that the best building practice has developed, and with a stately yet simple style of architecture, the new building represents utility combined with architectural beauty. The exterior is buff Bedford stone with a granite base and with ornamental terra cotta used in the spandrels and the mullions of the third, fourth and fifth story windows. The first story, containing the banking room, is designed to form the base of the building. The upper four stories of offices are treated on the Walnut street side with Corinthian pilasters, and on the Main street elevation with pilasters and three-quarter columns. The Main street entrance is enriched with granite treatment contained within the entrance arch, and is further accented by the heavy balcony at the level of the second floor. A full entablature and cresting all in Bedford stone, surmounts the whole.

The First National Bank was founded in 1865. In the forty-five years of its existence a continued skillful business management and the prosperity of the community in which it is located have combined to make it one of the strongest and wealthiest banking institutions in the state. The new building is the third the bank has occupied since its founding.

The present officers of the bank are president, H. H. Harris; vice-presidents, B. F. Harris and N. M. Harris; cashier, H. S. Capron.

Stocks Weaker

After a surprisingly strong stock market for several days a turn came early this week and the whole list has shown weakness. The decline under considerable pressure is not serious and it became more evident than ever in Tuesday's struggle that the market is being supported by strong parties. On that day selling of Corn Products and Central Leather, which broke quite sharply led to realizing throughout the list, and traders took the short side for a turn, the expected reaction following, leading stocks losing about a point, with an exceptional decline of two points in Con. Gas.

Canadian Pacific held most of its advance, and the reaction was nothing more than a healthy and proper one after a week of great strength. There have been unwarranted predictions of dividends on some industrial common stocks, like Central Leather and U. S. Rubber, and when there is any long selling of such issues in a narrow market, declines are of unusual proportions.

The situation is unchanged in that stocks are concentrated in strong hands, and there is not likely to be much change in this respect until the market is made attractive and profitable.

In the local stock market Metropolitan Elevated preferred was moderately active, closing at 68½. Chicago Railway series 2 certificates were steady at 24½. South Side Elevated was off two points, closing at 68. Match shares were weak. Commonwealth Edison was steady.

Among the local bank shares Continental and Commercial National was in stronger demand, selling at 283, with closing bid and asked prices 282½ and 283½ respectively.

\$100,000,000

Owing to the defective U. S. subtreasury system there are lying idle in the Chicago subtreasury \$100,000,000 in real money. This money and that at other such points kept in idleness should be in the banks helping out with the business and commerce of the country.

Hurst Recovers from Illness

Assistant Cashier James M. Hurst of National Bank of the Republic is again at his desk after two weeks of illness from grip.

Banker on Southern Trip

Cashier Houston Jones of Chicago Savings Bank and Trust Company has been called to Alabama by the illness of his mother.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877. As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS YISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agent for National Banks

Cutter, May & Company

INVESTMENT

BONDS

The Rookery

CHICAGO

Telephone, Harrison 7660

Des Moines, January 12.—Governor B. F. Carroll in his annual message to the Iowa legislature read this week pays a high tribute to banking conditions in Iowa. Under the subject of banking, the governor says: "There is little, if anything, pertaining to banks and banking that needs to be called to your attention. The banks of the state in general seem to be in a very flourishing condition. There have been no failures of state or savings banks during the last two years. The auditor's biennial report shows that there were 950 state and savings banks and trust companies carrying deposits of nearly \$247,000,000, reporting to the department at the end of the biennial period ending June 30, 1910. Fifteen or more have been added to the list since that date. The laws relating to the taxing of banks have been rendered somewhat chaotic by reasons of some of the decisions of the courts but that should be considered with other matters of taxation."

Governor Thinks Tax Laws Unjust

On the question of taxation the governor says: "I wish again to call your attention to the fact that the tax laws of the state are very inequitable and in some respects unjust. It has now been fourteen years since there has been a general revision of our revenue laws. Many changes of conditions have arisen in that time and many new methods of taxation have been adopted in other states which are worthy of consideration. The tax ferret law, the taxing of moneys and credits, a filing fee upon mortgages, based upon the amount and time to run and many other features are attracting much attention. I therefore recommend that a commission be provided to study carefully all the phases of the taxing questions, prepare an entire new revenue code and submit it to the next session of the general assembly."

Increase Capital One Million

The First National at Sioux City is planning to increase its capital stock from \$300,000 to \$400,000. The contemplated increase will bring the capital and surplus up to the sum of the resources of that bank and the Iowa State National of Sioux City before their consolidation and will put approximately \$200,000 more of taxable property upon the books of the assessor that were withdrawn a year ago when the merger was formed. In addition to increasing the capital to \$400,000 it is proposed to add \$100,000 to the surplus.

Bankers Unite in Fight against Taxing Money

Iowa bankers have entered into the movement to secure a repeal of the Iowa statute taxing moneys and credits with enthusiasm. The legislative committee of the Iowa Bankers Association, C. N. Voss, W. E. Coffin and J. H. Hass, has sent out a circular letter to the bankers of the state asking them to use their influence with the legislators for repeal of this Iowa law. The committee asserts that the law has driven much capital out of Iowa. It cites a proposed tax ferret law, explained in a recent letter from Des Moines to THE CHICAGO BANKER and says on this subject: "It is currently reported that the tax ferrets are planning to invade the banks of this state. On the 20th of last month, a bank in Dubuque was forced to go into court at the instigation of a tax ferret. Other banks in this state have been victims of these agents who are out for

the 15 per cent commission. This ferret law has become so obnoxious that there is quite a strong sentiment for its repeal at the coming session of the legislature, and a bill for that purpose will be introduced early in the session. In the interests of the tax ferrets, a bill will be introduced making it compulsory for every county to employ a tax ferret. In our judgment, the bankers of this state can do their communities and the state no greater service than to take an active interest in securing the repeal of this obnoxious tax ferret law, and the enactment of a more just and fair modification of our taxation system. Your most effective efforts will be by conference as soon as possible with your local senator and representative and getting them interested along these lines."

Postal Bank Has Poor Start at Decorah

Reports from Decorah indicate that people in the vicinity of that town are not falling over themselves to deposit their funds in the postal savings bank located at that place. At the end of the second day, there had been five accounts opened so it was stated from good authority although the postmaster refused to talk on the subject under orders from the postmaster general. Several accounts had been forwarded from various sections of Iowa which had been returned as not within the jurisdiction of the postoffice. One of these was stated to be \$500, the limit allowed under the enactment. It was stated from Decorah that there seemed to be a sentiment that the post office bank would be a success but there has been nothing at this writing to indicate any undue popularity of the new system with the people.

Hall Turns Detective—Captures Noted Forger

John Fowler, thought to be one of the keenest check forgers in several states was arrested in Des Moines last week following some clever detective work on the part of P. W. Hall, secretary of the I. B. A. Fowler's description had been furnished Hall by several bankers and by the state authorities of Wisconsin where it is reported that Fowler was once in trouble for forgery. Hall knew that Fowler was in the city but he could not get the police detectives interested. He determined to run Fowler down himself. After an hour's work, he ran his quarry to earth in one of the hotels. Two police officers were notified and Fowler was arrested at one o'clock in the morning. To Hall, Fowler is said to have confessed. He had a habit of making a small deposit in a bank and securing a bank book. This would be used by him as a visiting card and he managed to deceive bankers in Des Moines, Sioux City, Oskaloosa, Washington, Marshalltown and other Iowa cities. The information that he was in Des Moines was sent to Mr. Hall by bankers at Muscatine.

Believes Bank Robberies Work of Amateurs

Secretary Hall believes that much of the attempted bank robbery in Iowa is the work of amateurs. This he believes is particularly true with the gang that has been at work in

TO IOWA BANKERS

Please forward marked copies of your home paper to the Chicago Banker when it contains anything about Iowa Banks or Bankers. The favor will be appreciated.

The Chatham National Bank

NEW YORK CITY

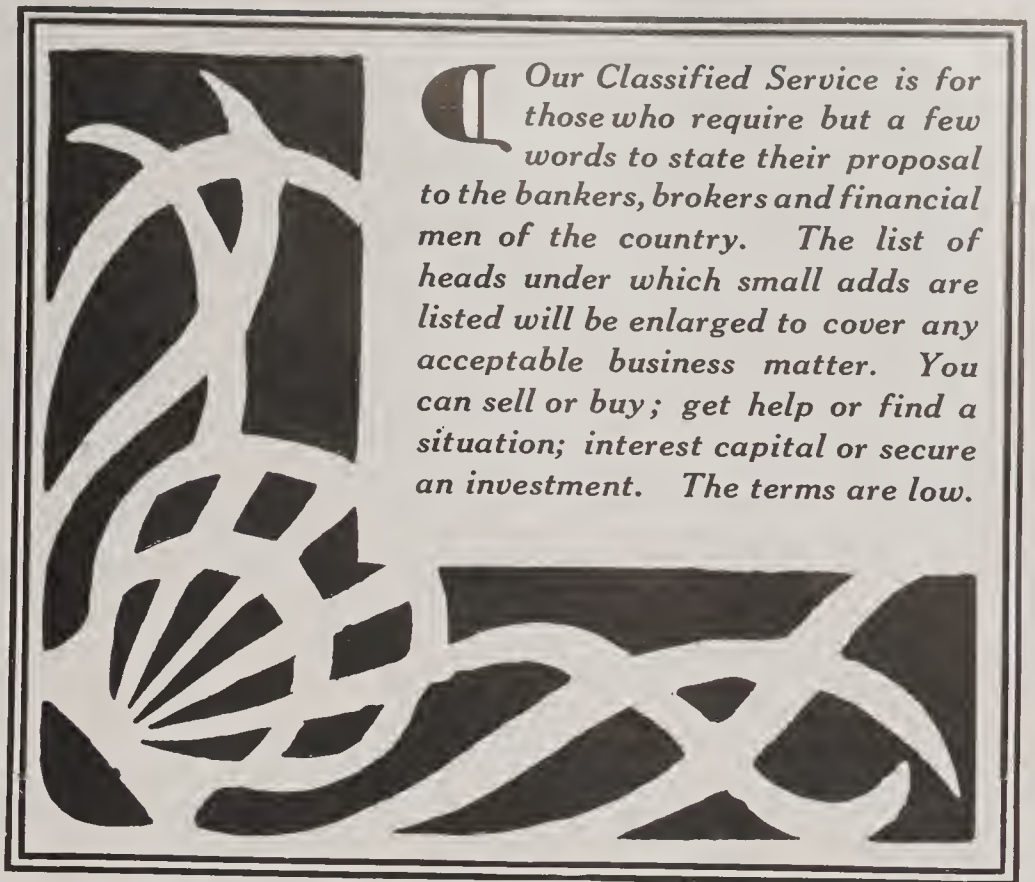
ESTABLISHED IN 1850

LOUIS G. KAUFMAN
President

FRANK J. HEANEY
Vice-President

HENRY L. CADMUS
Assistant Cashier

WILLIAM H. STRAWN
Cashier



Our Classified Service is for those who require but a few words to state their proposal to the bankers, brokers and financial men of the country. The list of heads under which small adds are listed will be enlarged to cover any acceptable business matter. You can sell or buy; get help or find a situation; interest capital or secure an investment. The terms are low.

Southern Iowa. The gang which escaped after dynamiting the banks at Bancroft, Garden City and Dow City is the real article, he believes. Secretary Hall says that the young man was bound and gagged and saw the robbers who attempted to burgle the Bank of Russell gave descriptions of two of the men that coincided exactly with descriptions of two of the gang arrested recently at Oskaloosa. This young man was taken to Oskaloosa but when brought face to face with the prisoners, he declared that none looked familiar from which Mr. Hall believes the witness was afraid to tell the truth.

Iowa Democrats for Guaranty Law

The upholding of the constitutionality of the guaranty bank deposit laws in Kansas and other southwestern states has roused the democrats of the Iowa legislature to greater activity in preparing to boost a measure of that sort through the general assembly which convened this week. Two years ago several bills were introduced but without success. Some of these were republican measures but John Darrah who fathered the most successful of them all in the house is not in the Iowa legislature this session. The democrats held a state wide conference in Des Moines Saturday night at which tentative plans were made for pushing the proposition during the general assembly. It will be modelled after those of Kansas and Oklahoma.

Urges Establishment of Trust Companies

C. N. Voss of Davenport has written to the Iowa League of Commercial Clubs urging that body to assist in securing necessary legislation for the establishment and encouragement of trust companies in Iowa. He asks for a statute similar to that in Illinois providing a deposit with the state of securities for the protection of clients, proper publicity, supervision, etc. He points out that trust companies qualified to act as administrators, executors, guardians and trustees are needed in the larger cities of the state. In this connection he cites that funds held by a trust company as guardian for a widow or children cannot escape but must be fully listed for taxation, the latter amount about $1\frac{3}{4}$ per cent on the face value. The Iowa courts usually require the investment of this money in farm mortgages at 5 to $5\frac{1}{2}$ per cent so that the tax removes practically one third of the revenue. Mr. Voss avers that this is plainly inequitable and

that its direct action is to drive capital out of Iowa.

Mason City Bank Increases Capital

The First National at Mason City has increased its capital stock from \$150,000 to \$250,000 and its surplus from \$175,000 to \$250,000. This makes the bank third in the state in size with the Iowa National of Des Moines and the German Savings of Davenport surpassing it. C. H. McNider, the president will undoubtedly be re-elected president as under his management the institution has made remarkable progress. However, if the First National at Sioux City increases its capital stock to \$400,000 and adds \$100,000 to its surplus, Mason City may not be able to claim third place.

Banking Notes

W. A. Fry has resigned as president of the Johnson County Savings at Iowa City so that he may give more of his time and attention to the business of the Borner-Fry Company, a manufacturing concern. Mr. Fry is one of the best known financiers in central Iowa.

Ellis T. Robb of Eldora who is well known throughout Iowa as a state bank examiner is an active candidate for the position of national bank examiner to succeed Examiner Jones of Algona who resigned recently. It is reported that Congressman Pickett of the Third district has pledged his support to Robb and several influential members of the legislature are working in his interests.

It is understood that a lively banking war is on at Hopkinton. Andrew McDonald who went to that city some years ago to start the Farmers State Bank at that place was recently requested to resign as cashier along with the other officers. It then developed that men interested in the other two banks had secured a controlling interest in the Farmers and, to use a slang expression, had "slipped one over" on McDonald. The latter is now threatening to start another bank and the people are greatly interested in the unique contest.

Cashier Henry Garlock of the State Bank of Maxwell had a painful accident when his left hand was blown off by an explosion of steam in an attachment to the kitchen range. He was also badly burned. The explosion blew the windows out of the kitchen.

O. K. Olson was elected a new director of the Iowa Trust & Savings of Des Moines at

the annual meeting last week. There was no other change. A. Clemens was elected a new director of the Mechanics Savings of Des Moines. There was no other change in the officary of this institution.

Fred Hutchinson has been elected president of the Rockwell City Savings at Rockwell City succeeding George R. Allison who has removed to California. Assistant Cashier Raymond Hutchinson was chosen cashier.

President and Mrs. Gideon Ellyson of the Commercial Savings, Des Moines entertained the employees of the bank at dinner New Year's day at their beautiful home on East Eleventh Street.

The following bankers were in the city last week; Cashier A. E. McKean, Bank of Jamaica; President E. T. Dufur, Lorimor Bank; Cashier L. H. Busselle, Chariton Bank; Charles Burdick, Baxter Bank.

Why Alaska Bank Closed

Seattle, Washington, January 6.—A cablegram from Fairbanks, Alaska, says that assets of the Washington-Alaska Bank, now in the hands of a receiver are \$1,100,000 and its liabilities are \$900,000. J. A. Jackson, vice-president of the bank, said it had been customary for the institution to lend money to the gold miners, who repaid it in the spring. Heretofore the Seattle Bank had advanced the bank money to carry on its business through the winter, but this year the bank was unable to obtain assistance either in Seattle or in California.

Alton Banker in Chicago

Cashier Cris. Seeger of Alton Banking and Trust Company has been among the callers at Western Trust and Savings Bank this week. The Alton institution which he represents has large interests both with merchants and farmers and is in a position to judge of the condition of trade. Mr. Seeger reports a comfortable state of affairs in all lines of industry around his district.

Corn Exchange Bank's Strong Condition

The Corn Exchange Bank, New York City, reports its condition, as of January 1, 1911, showing resources of \$53,777,692; liabilities, \$55,407,983; surplus, \$8,369,709. The bank now has twenty-six branches throughout Greater New York, one of the latest additions being that at the new Pennsylvania Station.

The National Bank of the
REPUBLIC
OF CHICAGO

Statement of Condition at the Close of Business on
January 7, 1911.

RESOURCES

Loans	\$17,530,410.01
United States Bonds at par	1,911,000.00
Cash and Exchange	8,537,453.48
Total	\$27,978,863.49

LIABILITIES

Capital Stock Paid in	\$ 2,000,000.00
Surplus	1,000,000.00
Undivided Profits	278,766.40
Reserved for Taxes	31,500.00
Currency in Circulation	1,759,200.00
Bond Account	829,000.00
Deposits	22,080,397.09
Total	\$27,978,863.49

OFFICERS

JOHN A. LYNCH, President.	W. T. FENTON, Vice-President.
R. M. McKINNEY, Cashier.	O. H. SWAN, Assistant Cashier.
JAMES M. HURST, Assistant Cashier.	WM. B. LAVINIA, Assistant Cashier.
W. H. HURLEY, Assistant Cashier.	

BOARD OF DIRECTORS

John A. Lynch..... President	Robert Mather.....Chairman Westinghouse
Charles H. Conover, Vice-President.....	Electric and Manufacturing Co.
Hibbard, Spencer, Bartlett & Co.	John R. Morron.....
Charles R. Crane, Vice-President Crane Co.	President Peter Cooper's Glue Factory
John V. Farwell.....of John V. Farwell Co.	President Atlas Portland Cement Co.
J. B. Greenhut.....Capitalist, Peoria	Henry Siegel.....
H. W. Heinrichs.....	President Simpson-Crawford Co., N. Y.
Vice-President M. D. Wells Co.	E. B. Strong.....Capitalist
Rollin A. Keyes	Louis F. Swift.....President Swift & Co.
President Franklin MacVeagh & Co.	Frank E. Vogel.....
	Vice-President Siegel, Cooper & Co.
	W. T. Fenton.....Vice-President

REPORT OF THE CONDITION OF

THE
MERCHANTS
LOAN AND TRUST
COMPANY

Of Chicago, at the Commencement of Business, January 9th, 1911

RESOURCES

Loans and Discounts.....	\$28,279,096.86
Bonds and Mortgages.....	9,959,205.97
Due from Banks	\$17,965,444.71
Cash and Checks for Clearing House.....	9,235,565.16
	27,201,009.87
	\$65,439,312.70

LIABILITIES

Capital Stock.....	\$ 3,000,000.00
Surplus Fund.....	5,000,000.00
Undivided Profits.....	1,084,164.45
Dividends Unpaid	33,480.00
Reserved for Accrued Interest and Taxes	169,916.37
Deposits.....	56,151,751.88
	\$65,439,312.70

GENERAL BANKING

Accounts of banks, merchants, corporations and individuals solicited

DIRECTORS

Enos M. Barton	Edmund D. Hulbert	Cyrus H. McCormick	Orson Smith
Clarence A. Burley	Chauncey Keep	John S. Runnells	Moses J. Wentworth
Elbert H. Gary	Thies J. Lefens	Edward L. Ryerson	William A. Gardner

OFFICERS

Orson Smith, President	P. C. Peterson, Assistant Cashier
Edmund D. Hulbert, Vice President	C. E. Estes, Assistant Cashier
Frank G. Nelson, Vice President	Leon L. Loehr, Secretary and Trust Officer
John E. Blunt, Jr., Vice President	F. W. Thompson, Mgr. Farm Loan Dept.
J. G. Orchard, Cashier	H. G. P. Deans, Mgr. Foreign Dept.

135 ADAMS STREET

The La Salle Street
National Bank
of Chicago

Statement of Condition at the Close of Business, January 7, 1911

Resources

Demand Loans.....	\$1,260,052.73
Time Loans.....	1,202,175.63
	\$2,462,228.36
U. S. Bonds to Secure Circulation.....	400,000.00
Premium on U. S. Bonds.....	5,455.46
Overdrafts	503.05
Other Stocks and Bonds.....	169,853.17
Furniture and Fixtures.....	12,816.25
Due from U. S. Treasurer, 5% Fund.....	20,000.00
Cash and Due from Banks	1,204,570.61
	\$4,275,426.90

Liabilities

Capital Stock	\$1,000,000.00
Surplus	250,000.00
Undivided Profits.....	13,161.59
Circulation.....	398,700.00
Deposits	2,613,565.31
	\$4,275,426.90

This Bank Opened for Business May 9, 1910

We solicit the accounts of banks, bankers, corporations, firms and individuals,
and promise the most favorable terms consistent with safe banking

Fort Dearborn National Bank
CHICAGO

Report of the Condition at the Close of Business, January 7th, 1911

RESOURCES

Loans and Discounts	\$11,115,511.87
Overdrafts	21,774.67
United States Bonds, par value	1,000,000.00
Other Bonds and Securities	1,045,174.81
Real Estate.....	1,000.00
Due from U. S. Treasurer.....	50,000.00
Cash and Sight Exchange.....	6,429,556.67
	\$19,663,018.02

LIABILITIES

Capital Stock paid in	\$1,500,000.00
Surplus and Undivided Profits.....	423,646.23
Circulation	1,000,000.00
Dividends unpaid.....	2,374.50
Deposits	16,736,997.29
	\$19,663,018.02

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84
February 5, 1909	11,617,691.24
January 31, 1910	13,212,286.64
March 29, 1910	15,041,357.21
June 30, 1910	15,116,591.47
September 1, 1910	16,056,180.16
November 10, 1910.....	16,025,833.98
January 7, 1911.....	16,736,997.29

OFFICERS

WM. A. TILDEN, President	J. FLETCHER FARRELL, Vice-President
NELSON N. LAMPERT, Vice-President	HENRY R. KENT, Cashier
GEO. H. WILSON, Assistant Cashier	CHARLES FERNALD, Assistant Cashier
THOMAS E. NEWCOMER, Assistant Cashier	

DIRECTORS

JOHN A. KING	D. EDWIN HARTWELL	C. A. BICKETT
WALTER S. BOGLE	CALVIN H. HILL	WM. A. TILDEN
CHAS. A. PLAMONDON	RICHARD FITZGERALD	NELSON N. LAMPERT
CHAS. W. HINKLEY	RAYMOND W. STEVENS	J. FLETCHER FARRELL
	HENRY R. KENT	

We solicit accounts of banks, corporations, firms and individuals, and we endeavor to
give prompt and efficient service by personal and courteous attention to our customers

The First National Bank of Chicago

Statement of Condition at Close of Business
January 7, 1911.

ASSETS

Loans and Discounts	\$ 78,008,991.01
United States Bonds (par value).....	3,432,000.00
Other Bonds and Securities (Market value).....	5,881,734.03
National Safe Deposit Co. Stock (Bank Building).....	1,262,000.00

CASH RESOURCES

Due from Banks (East- ern Exchange)....	\$20,330,047.94
Checks for Clearing House.....	3,888,658.98
Cash on hand.....	19,124,839.29
Due from United States Treasurer	1,079,100.00
	44,422,646.21
	\$133,007,371.25

LIABILITIES

Capital Stock Paid in.....	\$ 10,000,000.00
Surplus Fund.....	10,000,000.00
Other Undivided Profits.....	1,011,772.18
Discount Collected but not Earned	562,143.88
Special Deposit of U. S. Bonds	918,000.00
Circulation Notes Received from Comptroller.....	3,170,800.00
Dividends Unpaid.....	32,714.00
Reserved for Taxes.....	191,900.45
Deposits.....	107,120,040.74
	\$133,007,371.25

OFFICIAL ORGANIZATION

JAMES B. FORGAN.....	President
HOWARD H. HITCHCOCK.....	Vice-President
FRANK O. WETMORE.....	Vice-President
EMILE K. BOISOT.....	Vice-President
AUGUST BLUM.....	Vice-President
CHARLES N. GILLET.....	Vice-Pres. and Cashier
CHARLES H. NEWHALL.....	Vice-President
M. D. WITKOWSKY.....	Vice-President
ARTHUR W. NEWTON.....	Vice-President
WILLIAM H. MONROE.....	Asst. Cashier
E. S. THOMAS.....	Asst. Cashier
H. A. HOWLAND.....	Asst. Cashier
JOHN P. OLESON.....	Asst. Cashier
H. H. HEINS.....	Asst. Cashier
A. C. C. TIMM.....	Asst. Cashier
JOHN F. HAGEY.....	Asst. Cashier

Law Department

ORVILLE PECKHAM.....	Attorney
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Foreign Exchange Department

JOHN J. ARNOLD.....	Manager
CHARLES P. CLIFFORD.....	Asst. Manager

Auditing Dept.

H. L. DROEGEMUELLER.....	Auditor
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Discount and Collateral Dept.

E. J. BLOSSOM.....	Manager
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Credit and Statistical Dept.

WILLIAM J. LAWLOR.....	Manager
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Clerical and Bookkeeping Dept.

WILLIAM H. MONROE.....	Asst. Cashier
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First Trust and Savings Bank

Statement of Condition at Commencement
of Business January 9, 1911.

ASSETS

Bonds.....	\$17,908,822.85
Time Loans on Collateral.....	15,037,330.15
Demand Loans on Collateral.....	\$11,165,498.33
Cash and due from Banks.....	10,223,462.01
	21,388,960.34
	\$54,335,113.34

LIABILITIES

Capital.....	\$ 2,500,000.00
Surplus and Undivided Profits.....	3,154,585.82
Reserve for Interest and Taxes.....	138,545.67
Time Deposits.....	\$38,791,489.78
Demand Deposits.....	9,750,492.07
	48,541,981.85
	\$54,335,113.34

(The stock of this bank is owned by the stockholders of the First National Bank of Chicago and every director is a director of that bank.)

OFFICERS

JAMES B. FORGAN.....	President
EMILE K. BOISOT.....	Vice-President
LOUIS BOISOT.....	Trust Officer
ROBERT D. FORGAN.....	Treasurer
DAVID V. WEBSTER.....	Secretary
BURT C. HARDENBROOK.....	Mgr. Bond Dept.
FRANK M. GORDON.....	Asst. Mgr. Bond Dept.
ROY C. OSGOOD.....	Asst. Trust Officer
ROBERT L. DAVIS.....	Mgr. Real Estate Dept.
ORVILLE PECKHAM.....	Attorney

DIRECTORS FIRST NAT'L BANK and Nat'l Safe Deposit Co.

Benjamin Allen, Samuel W. Allerton, George F. Baker, A. C. Bartlett, E. K. Boistot, William L. Brown, A. A. Carpenter, Jr., D. Mark Cummings, Charles Deering, James B. Forgan, James J. Hill, H. H. Hitchcock, E. T. Jeffery, Harold F. McCormick, Edward Morris, Eugene S. Pike, Henry H. Porter, Jr., Norman B. Ream, John A. Spoor, Bernard E. Sunny, Wm. J. Watson, Frank O. Wetmore, Clarence M. Woolley.

Also Directors and Members of the Advisory Committee of the First Trust and Savings Bank

Continental and Commercial National Bank OF CHICAGO

Statement of Condition at Close of Business, January 7, 1911

RESOURCES

Loans and Discounts.....	\$107,840,034.83	
Bonds, Securities, etc.....	12,494,555.97	\$120,334,590.80
U. S. Bonds to Secure Circulation.....		8,446,593.75
Stock Com'l Nat. Safe Dep. Co. (Bank Building) at par.....		1,597,500.00
Real Estate.....		40,742.67
Overdrafts.....		7,003.08
Due from Banks and U. S. Treasurer.....	\$ 22,717,534.25	
Cash.....	36,204,180.22	58,921,714.47
		\$189,348,144.77

LIABILITIES

Capital Stock Paid in.....		\$ 20,000,000.00
Surplus Fund.....		8,000,000.00
Undivided Profits.....		1,722,053.42
Reserved for Taxes.....		194,856.19
Circulation.....		8,312,195.00
Deposits—Individual.....	\$64,590,735.77	
Banks.....	86,528,324.39	151,119,060.16
		\$189,348,144.77

GEORGE M. REYNOLDS, Pres.
RALPH VAN VECHTEN, V-Pres.
ALEX. ROBERTSON, V-Pres.
HERMAN WALDECK, V-Pres.
JOHN C. CRAFT, V-Pres.
JAMES R. CHAPMAN, V-Pres.
WM. T. BRUCKNER, V-Pres.

OFFICERS

WM. G. SCHROEDER, Secretary	H. ERSKINE SMITH, Asst. Cash.
NATHANIEL R. LOSCH, Cashier	JOHN R. WASHBURN, Asst. Cash.
FRANK H. ELMORE, Asst. Cash.	RALPH C. WILSON, Asst. Cash.
HARVEY C. VERNON, Asst. Cash.	WILSON W. LAMPERT, Asst. Cash.
GEO. B. SMITH, Asst. Cash.	DAN NORMAN, Asst. Cash.
WILBER HATTERY, Asst. Cash.	FRANK L. SHEPARD, Auditor
EDWARD S. LACEY, Chairman of Advisory Committee	H. LAWTON, Mgr. Foreign Dept.

Continental and Commercial Trust and Savings Bank CHICAGO

THE CAPITAL STOCK OF THIS BANK IS OWNED BY THE STOCKHOLDERS OF
THE CONTINENTAL AND COMMERCIAL NATIONAL BANK OF CHICAGO

Statement of Condition of this Bank at Commencement of Business, January 9, 1911

RESOURCES

Time Loans (secured by collateral).....		\$ 5,129,012.96
Demand Loans (secured by collateral).....	\$3,537,807.47	
Bonds and Stocks.....	7,805,380.17	
Due from Banks.....	2,207,006.93	
Cash on Hand.....	1,647,834.95	
Demand Resources.....		\$15,198,029.52
		\$20,327,042.84

LIABILITIES

Capital Stock.....	\$3,000,000.00	
Reserved for Taxes and Interest.....	105,523.30	
Undivided Profits.....	329,003.69	3,434,526.99
Demand Deposits.....	\$9,443,186.47	
Time Deposits.....	7,449,329.02	\$16,892,515.49
		\$20,327,042.48

E. A. POTTER, Chairman of the Board
W. IRVING OSBORNE, President

JOHN JAY ABBOTT, Vice-President
CHARLES C. WILLSON, Cashier

FRANK H. JONES, Secretary
WM. P. KOPF, Asst. Cashier

SAVINGS, TRUST AND BOND DEPARTMENTS

John. L. Hamilton

Rumor has it on LaSalle street that John L. Hamilton declined a re-election as president of the Hamilton National, at Hoopston, Ill., to accept a pressing offer from a large reserve center bank, which has been after him for some time. The name of the bank was withheld.

Receiver Finds Odd Tangle

Receiver Edwin C. Day has found an odd state of affairs in connection with the Cosmopolitan Bank, a Chicago concern which was putting out certificates of deposit in enormous quantities. Most of these certificates were in favor of N. T. Arvidson, who traded them for all kinds of property.

The receiver has examined the officers of the bank, and Arvidson, in an endeavor to discover assets. His examination showed that John B. Wohlenberg, who was at one time assistant cashier, and later manager of the Victor Finance Company, had appropriated about \$2,000 worth of notes which it was claimed really belonged to the Cosmopolitan Bank. The Victor Finance Company is composed of the same persons as the Cosmopolitan Bank. Upon a proper showing being made Judge Tuthill also appointed Mr. Day receiver of the assets of John B. Wohlenberg and his wife, doing business as the Home Finance Company, 167 Dearborn Street. The receiver found about \$2,000 in the notes of salaried people, but of this amount Emiline W. Bell of Green Bay, Wis., claims \$1,000 to cover an investment for this amount made by her during December, 1910, in the Home Finance Company. Until the court determines Mrs. Bell's rights it will be impossible to know what really belongs to the Cosmopolitan Bank.

Lewis and Chandler turned over to the receiver stocks and bonds of various concerns, for which he has been unable to find any market value so far. The notes turned over to the receiver he has been unable to collect but hopes to realize something from them. Certain real estate was also turned over to the receiver, but investigations show so far that there are defects in the title and that the land is not valuable, even if the title were perfect. The receiver is making every effort to uncover additional assets found to be in the hands of third persons who fleeced the bank, but he has been unsuccessful to date in locating anything which he would feel justified in claiming as banking assets.

New State Bank at Franklin Park

The new Franklin Park (Ill.) State Bank opened for business on Monday in temporary quarters. As indicated by the title the new institution makes a bid for public confidence and patronage under state laws and supervision. H. N. Leadaman is president, Chas. H. Martens vice-president and Wm. H. Kirchhoff cashier.

First National of Sheldon, Iowa

W. M. Smith, former president of the First National at Sheldon, Ia., has been elected chairman of the board. F. E. Frisbee has been elected president. J. H. Archer is vice-president, and F. W. Bloxham, cashier. F. L. Barrager is assistant cashier. Twenty thousand was added to surplus.

Good Report from People's Trust

In its first statement People's Trust and Savings Bank proves itself a winner with deposits of three and a third millions and other business in proportion.

Banks Strong

Although the comptroller's call on Tuesday was unexpected Chicago's banks made an excellent showing. The statements as a whole are ample proof that the banks are working into a more satisfactory position. Where a loss of deposits is shown it can be traced to investment buying. The bond market has been active in the last few weeks and is absorbing considerable cash. Practically all banks national and state, are improving in cash resources.

Fort Dearborn National and La Salle Street National have made large gains in deposits the former increasing three quarters of a million and the latter nearly half a million. National Bank of the Republic, Standard Trust, National Produce, Western Trust, State Bank of Chicago and First of Englewood show substantial gains.

Black Hawk National Increases Stock

The Black Hawk National of Waterloo, Iowa, has increased its paid up capital from \$160,000 to \$250,000, and has increased the surplus to \$100,000. The new stock was placed at \$150 per share. No changes in the official list. F. F. McElhinney is president, F. W. Powers vice-president and Charles W. Knoop cashier.

Corn Ex

James G. Wakefield proudly calls attention to the new figures which denote the Corn Ex's strong position in capital and surplus. The capital is \$3,000,000, surplus \$5,000,000, and undivided profits \$500,000. This is the highest type of deposit guaranty.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

SPECIAL OPPORTUNITY FOR \$25,000.00

¶ I am desirous of having either a silent or active partner, who can furnish the above amount, and be in a position to finance an additional \$25,000.00 if so required.

¶ To establish a Specialty Retail Store on State Street, Chicago, (Dry Goods line). There is no other store of its kind west of New York. I feel reasonably sure that I can show a profit on the investment of from **75 TO 80 PER CENT.**

¶ This is really a big opportunity for a safe investment, and general business conditions were never more favorable than at present for the success of a store of this character. The merchandise is always in demand.

¶ Personally I have not the money, but have the *executive ability*, as well as a thorough knowledge of the merchandise, and know what can be accomplished. Can furnish any amount of references as to my reliability and earnestness. Principals only; no promoters.

Address, S-151 Chicago Banker.

For Sale. Auto Graflex Camera, Goerz Celor lens and six plate-holders. Cost \$125. Like new for \$90. Address, D-41 Chicago Banker.

For Sale. Luger nine shot magazine pistol, the \$35.00 model, never used, for \$20.00. Address, D-117 Chicago Banker.

Phonograph. New. Cost \$200. Sell for \$110. Address, D-136. Chicago Banker.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$110. Address, D-46 Chicago Banker.

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163. Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

Forbes is Optimistic

President R. T. Forbes of First National, St. Joseph, Mo., was a caller at Fort Dearborn National recently. The former Chicago banker is optimistic over the Southwest and tells of a rapid and substantial development.

Mainly About Banks and Bankers

(Continued from page 3)

JOHN FLETCHER, Drivers Deposit National, is a mighty good judge of the quality and style of pocket book the friends of that institution would like. Those sent out the first of this year are of the choicest materials and artistically designed.

POPE'S DAILY BOND INTEREST CALCULATOR, published by the Financial Service Company, 2 Rector Street, New York, which sells at \$2.00 will save hours and hours of time and prevent mistakes in interest computation for any number of days, on bonds of \$1,000, based on 30 days to the month.

THE BUSINESS MEN'S LEAGUE of Montgomery, Ala., is a live wire organization. It is helping the Alabama Bankers Association pass its new banking law putting all forms of banking under supervision and state control.

BACHE & COMPANY say there has been developing among business interests in the last week or two a rather more confident feeling about the situation. As a whole, the volume of business has not been for some time up to expectations, but it must be borne in mind that these expectations have been based upon increased capacity all around. This increase of capacity was begun in the boom period of 1906. It was arrested by the panic of 1907, but the comparatively quick recovery from that disaster induced those who had already begun to extend their facilities, to finish up, and this example was followed by many others.

THE Karpen 5 per cent bonds at 99 are about the classiest thing being offered to Chicago investors at the price this year. George H. Burr & Company, The Rookery, and the Western Trust & Savings Bank are the distributors.

J. B. FORGAN and Prof. J. Lawrence Laughlin of the University of Chicago, dined with President Taft, say the dispatches. Nothing is said as to whether or not Mr. Taft will call the new congress in extra session to revise the cost of living at once, or not. A lot of people would like to know.

PEKIN postal bank reports for the first week. There were three deposits of \$100 each and the bank actually ran out of one and five dollar certificates. Foreigners working in the mines are the chief depositors and a few deposits came in by mail.

THE average foreign miner at Pekin is estimated to have been carrying about \$500 on his person or to have had it concealed about his house. This money the postal bank is putting back into circulation. Surely all banking will be helped by this. Resisting the postal bank is a little like resisting bank regulation and supervision—a mistaken notion.

JOHN B. PEARCE, secretary of state for Colorado, was indicted for the second time within a few days. The true bill last returned charges him with obtaining money from the First National Bank of Denver in consequence of an unlawful agreement with that institution in connection with the deposit of certain state funds.

PRESTIGE of Gov. Harmon's support turned the trick for the new Ohio senator, Atlee Pomerene. With two democrats from West Virginia and the possibilities of four from New Mexico and Arizona (if they get their constitution adopted) the senate may be democratic yet. Shades of Hamilton!

THEN there's Woodrow Wilson! Speaking at a big meeting called to help eliminate Boss James Smith, senator, Mr. Wilson said: "It is not a dangerous or capital operation to cut off

a wart. The thing can be done while you wait, and it is being done. The clinic is open, and every man can witness the operation."

BYRON L. SMITH wants congress to adjourn for about five years to give the country a chance. For us, we favor the abolition entirely of the promoter type of bank, not by the New York method of causing them to fail, but by increasing the supervisory power. Think it over!

EX-PRESIDENT Lewis E. Pierson, of the A. B. A. and president of the Irving National Exchange Bank, New York, believes in publicity. He has his growing bank examined with no strings out, nor any books hidden, by the best accountants he can find. Then he publishes the result. The annual statement for December 31st shows his bank to be "as clean as a hound's tooth."

THE IRVING EXCHANGE is verging on thirty millions deposits, half of it due from banks. These depositor banks like Pierson, and they like the Pierson plan of publicity. It's the very essence of confidence which is the very soul of right banking.

IN 1898 the capital of the Irving was \$300,000; now it is \$2,000,000. The surplus has grown from \$53,000 to \$1,800,000. Assets are up from just over two and a half millions to more than thirty-three millions. The vice-presidents who have shouldered so much of the burden from Mr. Pierson's shoulders are James E. Nicholls, Rollin P. Grant and Benj. F. Werner. Harry E. Ward is cashier and David H. G. Penny, Richard J. Faust and J. Franklyn Bouker are assistants.

WOLLENBERGER & CO., the Central Trust Company of Indianapolis and the Colonial Trust and Savings Bank of Chicago are offering \$1,500,000 of 7 per cent cumulative preferred stock of the Dodge Manufacturing Company of Mishawaka, Ind. The price is par and accrued dividend.

YOUNG BUTLER, who started three private banks in as many Illinois towns, when taken to the Peoria jail, charged with embezzlement, wanted a "parlor" cell, for which he was willing to pay. "Keep your money for your depositors," said the stone hearted sheriff.

BUTLER then was put in a common cell, cut off from the telephone hunt for a bondsman and subdued generally. Butler thought the jail was a picnic, and as free as banking in Illinois, but he knows better now. He operated three feeders to his brokerage business in Chicago, calling them so many "banks." They were located at Glasford, Ellisville and St. David.

SO great is the public confidence in banks that an unknown youth, who could not buy a suit of clothes on credit in a town, may start a "bank" and clean up thousands. We should have Clark Williams stump Illinois with his famous talk on "The Benefits of Increased Bank Supervision."

J. B. FORGAN returned on Monday from Washington, where he was called last week for a conference with the President, Senator Aldrich and others, concerning the proposed financial reforms. Owing to the illness of Senator Aldrich he was unable to attend the conference, but Mr. Forgan visited him at his home long enough to learn of the plans he has in view.

NATIONAL bank call for January 7th was "early," some of the banks thought, but as usual Chicago banks showed up in prime condition.

CASHIER.

ESTABLISHED 1879

State Bank of Chicago

S. E. Cor. LaSalle and Washington Streets

CONDENSED REPORT, JAN. 9, 1911

RESOURCES

Loans and Discounts	\$18,439,639.05
Overdrafts	2,547.74
Bonds	2,131,482.49
Cash and Due from Banks..	6,576,247.46
	<u>\$27,149,916.74</u>

LIABILITIES

Capital Stock	\$ 1,500,000.00
Surplus (Earned)	1,500,000.00
Undivided Profits	368,349.57
Reserved for Interest and Taxes....	40,000.00
Dividends Unpaid.....	2,355.00
Deposits	<u>23,739,212.17</u>
	<u>\$27,149,916.74</u>

OFFICERS:— L. A. GODDARD, President; JOHN R. LINDGREN, Vice-President; HENRY A. HAUGAN, Vice-President; HENRY S. HENSCHEN, Cashier; FRANK I. PACKARD, Assistant Cashier; C. EDWARD CARLSON, Assistant Cashier; SAMUEL E. KNECHT, Secretary; WILLIAM C. MILLER, Assistant Secretary.

BOARD OF DIRECTORS:— DAVID N. BARKER, Manager Jones & Laughlin Steel Co.; J. J. DAU, President Reid, Murdoch & Co.; CALVIN DURAND, President Durand & Kasper Co.; THEO. FREEMAN, Retired Merchant; L. A. GODDARD, President; H. G. HAUGAN, Ex-Comptroller Chicago, Milwaukee & St. Paul Ry.; OSCAR H. HAUGAN, Manager Real Estate Loan Department; JOHN R. LINDGREN, Vice-President; WM. A. PETERSON, Proprietor Peterson Nursery; GEO. E. RICKARDS, Chicago Title & Trust Co.; MOSES J. WENTWORTH, Capitalist.

YOUR BUSINESS INVITED

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

Report at Commencement of Business, January 9, 1911

RESOURCES

Loans and Discounts	\$7,970,670.46
Bonds	611,194.74
Overdrafts	1,708.08
Cash and Sight Exchange	3,251,860.44
Furniture and Fixtures	12,500.00
	<u>\$11,847,933.72</u>

LIABILITIES

Capital	\$1,250,000.00
Surplus and Profits	148,247.85
Deposits	<u>10,449,685.87</u>
	<u>\$11,847,933.72</u>

OFFICERS

WALTER H. WILSON, Vice-President	JOSEPH E. OTIS, President	A. E. COEN, Assistant Cashier
WILLIAM C. COOK, Vice-President	LAWRENCE NELSON, Vice-President	W. G. WALLING, Secretary
HARRY R. MOORE, Cashier	ADDISON CORNEAU, Ass't Cashier	LLOYD R. STEERE, Assistant Secretary
		LOUIS H. SCHROEDER, Mgr. Bond Dept.
		J. J. RAHLF, Mgr. Foreign Exchange Dept.

FOREMAN BROS. BANKING CO.

110 La Salle St.

Statement of the Condition at the Commencement of Business,
January 9, 1911

RESOURCES

Loans and discounts	\$7,857,225.41
Overdrafts	3,056.72
Stocks and bonds	195,400.00
Cash on hand and in banks	3,237,284.32
Total	<u>\$11,292,966.45</u>

LIABILITIES

Capital	\$1,000,000.00
Surplus	500,000.00
Undivided Profits	8,577.96
Deposits	<u>9,784,388.49</u>
Total	<u>\$11,292,966.45</u>

EDWIN G. FOREMAN, President
OSCAR G. FOREMAN, Vice-PresidentGEORGE N. NEISE, Cashier
JOHN TERBORGH, Ass't Cashier

STATEMENT OF CONDITION OF THE LIVE STOCK EXCHANGE NATIONAL BANK OF CHICAGO

AT THE CLOSE OF BUSINESS, JANUARY 7, 1911

RESOURCES

Loans and Discounts -	\$7,161,761.26
Overdrafts - - - - -	2,039.89
United States Bonds -	100,000.00
Other Bonds - - - - -	312,275.00
Cash and Due from Banks	4,252,293.62

\$11,828,369.77

LIABILITIES

Capital Stock - - - - -	\$1,250,000.00
Surplus - - - - -	400,000.00
Undivided Profits - - -	111,617.06
Circulation - - - - -	99,000.00
Dividends Unpaid - - -	1,335.00
Reserved for Taxes - - -	23,500.00
Deposits - - - - -	<u>9,942,917.71</u>

\$11,828,369.77

OFFICERS

W. A. HEATH, President	J. A. SPOOR, Vice-President	G. A. RYTHUR, Vice-President
G. F. EMERY, Cashier	A. W. AXTELL, Asst. Cash.	H. E. HERRICK, Asst. Cash.

DIRECTORS

J. Ogden Armour	Arthur G. Leonard	H. E. Poronto
James H. Ashby	Edward Morris	G. A. Ryther
Samuel Cozzens	Charles M. Macfarlane	J. A. Spoor
W. A. Heath		Edward F. Swift

Peoples Trust and Savings Bank

Peoples Gas Building, Michigan Avenue and Adams Street

Condensed Report of Condition January 9, 1911

RESOURCES

Loans	\$2,760,006.70
Bonds	103,739.60
Due from Banks	761,739.69
Cash on hand	420,644.58
	<u>\$4,055,130.57</u>

LIABILITIES

Capital Stock	\$ 500,000.00
Surplus	100,000.00
Undivided Profits	56,158.67
Deposits	<u>3,398,971.90</u>
	<u>\$4,055,130.57</u>

DIRECTORS

CHARLES G. DAWES,
J. KRUTTSCHNITT,
GEO. M. REYNOLDS,
S. M. FELTON,W. IRVING OSBORNE,
JAMES F. MEAGHER,
C. H. BOSWORTH.

OFFICERS

C. H. BOSWORTH, President,
W. J. COOK, Secretary,R. H. GRIFFIN, Cashier,
EARLE H. REYNOLDS, Asst. Cashier.

Report of the Condition of the

Drovers Deposit National Bank

Union Stock Yards

CHICAGO

At the Close of Business, January 7, 1911

Resources

Loans and Discounts	\$4,791,188.66
Overdrafts	249.94
United States and Other Bonds	727,311.20
Cash and Due from Banks	2,898,546.30
Total	<u>\$8,417,296.10</u>

Liabilities

Capital Stock, paid in	\$ 600,000.00
Surplus and Profits	414,934.23
National Bank Notes Outstanding	443,600.00
Reserved for Taxes	10,133.26
Deposits	<u>6,948,628.61</u>
Total	<u>\$8,417,296.10</u>

OFFICERS

JOHN FLETCHER, Vice-President	WM. A. TILDEN, Vice-President	J. C. MORRISON, Assistant Cashier
GEORGE M. BENEDICT, Cashier		H. P. GATES, Assistant Cashier

DIRECTORS

EDWARD TILDEN	WM. A. TILDEN	M. F. RITTENHOUSE
R. T. FORBES	L. B. PATTERSON	

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

DONNELL SAFE COMPANY

Established 1886

200-202 East Washington Street
CHICAGO, ILLINOIS

The Audit Company of Illinois

1439-42 First National Bank Building, Chicago

Specialists in Auditing and System-
atizing Public Service Corporations

C. W. KNISELY, C. P. A.
President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

FOURTH STREET NATIONAL BANK OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,300,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	



If You Desire to Collect Your Out-of-Town Items
Promptly, Send Them to The National City Bank of Chicago

Correspondence Invited

The National City Bank of Chicago

Capital, Surplus and Undivided Profits \$2,000,000

OFFICERS

DAVID R. FORGAN . . . President	W. D. DICKEY . . . Assistant Cashier
ALFRED L. BAKER . . . Vice-President	A. W. MORTON . . . Assistant Cashier
CHARLES B. PIKE . . . Vice-President	W. T. PERKINS . . . Assistant Cashier
H. E. OTTE . . . Vice-President	HENRY MEYER . . . Assistant Cashier
F. A. CRANDALL . . . Vice-President	W. N. JARNAGIN . . . Assistant Cashier
L. H. GRIMME . . . Cashier	R. U. LANSING . . . Mgr. Bond Dept.

The Girard National Bank Of Philadelphia

Capital,	.	.	.	\$ 2,000,000.00
Surplus and Profits,	.	.	.	4,318,000.00
Deposits,	.	.	.	43,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN Vice-President	JOSEPH WAYNE, Jr. Cashier
THEO. E. WIEDERSHEIM Second Vice-President	CHARLES M. ASHTON Asst. Cashier

To Satisfactorily Handle Your Business, You
Need a Philadelphia Account

The CHICAGO BANKER

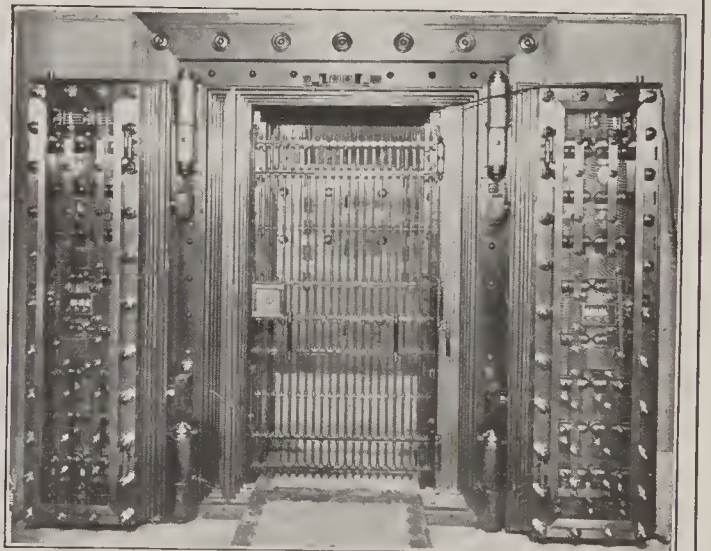
A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JANUARY 21, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

OLD NATIONAL BANK—SPOKANE



THE views herewith give fine expression to the faith which certain bold spirits have in the future of Spokane as a Northwest financial center. The new fifteen story Old National Bank building is their unquestioned testimony—doubly certified by their courage in building it with their own money. No realty adventure about this. Past growth and development was their inspiration. "To keep abreast of the city's business demands" was the recognized duty of the Old National crowd. Nothing of the Monument about it, rather it is to be a center within a center for the very elect of the Spokane upbuilders.

No need to here record the details for bankers are skilled in such matters. The splendid interior is shown by the half-tones. The exterior would be a credit to any city. It is a combined bank and office building, decided upon after six months spent in investigation by W. J. Komers for the bank, of which he is an officer. Every city was visited and the subject was gone into with a rare fidelity and insight.

The new building is a modern, fire-proof structure of the steel skeleton type with a cream-white enameled terra cotta exterior. It is situated at the northeast corner of Riverside avenue and Stevens street in the heart of Spokane's business

center, occupying the full area of the plot 100 feet on Riverside by 242 on Stevens street.

The entire ground floor and basement is reserved for the use of the bank, all of the upper floors being rented for offices.

Upon entering the banking rooms one is at once impressed with the marvelous utility, beauty and convenience here combined. The quiet dignity, the orderly and convenient arrangement, and the beautiful volume of light that floods the entire rooms all reflect a careful study of the requirements of a modern metropolitan bank.

The spacious lobby, 30 feet wide by 72 feet deep, comes directly in the center of the banking rooms, affording easy access to all the cages and executive offices. This public lobby is surrounded by great columns of majestic proportions forming a portion of the cage screen itself and rising to a height of 23 feet, while the skylight directly above the lobby is carried up one story higher, thus producing a stately and architectural effect. Under this arrangement there is no obstruction of posts in either public lobby or working space. To obtain this unusual result the general banking room scheme was determined upon before the building and superstructure were designed.

The ceiling of the banking room is richly but simply decorated in ornament and color. The floor and the public space is laid in Tennessee marble, while the bank counter is a combination of Grecian and domestic marbles, topped with a beautiful frieze of Grecian design.

The executive offices of the bank are located at the left, just inside the main entrance. This arrangement places the offices in the closest possible touch with the traffic of the public and affords an unobstructed view of the entire room. Immediately adjoining the open space of the executive offices are two commodious consultation rooms where the executives may retire for private interviews or meetings. There is but one entrance to the working space of the banking room for the employees. This adjoins the auditor's cage at the end of the lobby, and being used exclusively by the employees, none is admitted except by the pressing of a secret button from within. A wide unobstructed passageway laid in noiseless rubber tile extends all around behind the cages.

The officers of the bank are D. W. Twohy, President, T. J. Humbird, Vice-President, W. D. Vincent, Cashier, W. J. Komers, J. A. Yeomans, W. J. Smithson, Assistant Cashiers.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$9,500,000

Officers

GEORGE M. REYNOLDS - - - - President
RALPH VAN VECHTEN - - - - Vice-President
ALEX. ROBERTSON - - - - Vice-President
HERMAN WALDECK - - - - Vice-President
JOHN C. CRAFT - - - - Vice-President
JAMES R. CHAPMAN - - - - Vice-President
WM. T. BRUCKNER - - - - Vice-President
WM. G. SCHROEDER - - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - - Cashier
FRANK H. ELMORE - - - - Assistant Cashier
HARVEY C. VERNON - - - - Assistant Cashier
GEO. B. SMITH - - - - Assistant Cashier
WILBER HATTERY - - - - Assistant Cashier
H. ERSKINE SMITH - - - - Assistant Cashier
JOHN R. WASHBURN - - - - Assistant Cashier
RALPH C. WILSON - - - - Assistant Cashier
WILSON W. LAMPERT - - - - Assistant Cashier
DAN NORMAN - - - - Assistant Cashier
FRANK L. SHEPARD - - - - Auditor
H. LAWTON - - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

Corner Monroe and Clark Streets

OFFICERS

E. A. POTTER, Chairman of the Board
W. IRVING OSBORNE, President

JOHN JAY ABBOTT, Vice-President
CHARLES C. WILLSON, Cashier

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WM. P. KOPF, Assistant Secretary

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ESTABLISHED 1873

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LAWRENCE NELSON, Vice-President
HARRY MOORE, Cashier
ADDISON CORNEAU, Asst. Cashier
LLOYD R. STEERE, Asst. Secretary
J. J. RAHLF, Mgr. Foreign Exchange Dept.
W. C. COOK, Vice-President
A. E. COEN, Asst. Cashier
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OF CHICAGO

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GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
M. F. RITTENHOUSE
L. B. PATTERSON
WM. A. TILDEN
R. T. FORBES



Mainly About Banks and Bankers

BANKS fail sometimes but very few of them fall down physically as did a main wall and one of the granite columns of the First National of Baltimore. The collapse was caused by excavation going on for a new sky scraper next door.

NEXT New York convention will be held at Manhattan Beach. It will be when the sea shore attractions are booming. The West ought to turn out at this meeting. The banks will not have to hire outsiders to represent them.

THE West's independence of New York has been a theme for speakers and writers for a number of years. Various crop-moving stringencies and disturbances due to antiquated currency laws have furnished occasions for positive demonstrations of this independence. The more independent the great West is, the greater the opportunity and the function of Chicago as the central banking center.—Chicago Record-Herald.

PROBABLY the most popular Republican in Cook county, Ill., of which Chicago is the port of entry, is one William Lorimer, with whom "The Chicago Tribune" recently induced Col. Roosevelt to refuse to eat. Because of the assaults on him by the press, Mr. Lorimer seems to have kept aloof from politics in Cook county this fall and let "The Tribune" and its persecutors run things. As a result the county, which has long been republican, was turned over to the pure democracy by about 40,000. The real trouble is that some persecutors are trying to bribe their way into higher office by convicting somebody regardless of the justice of their cause. "The Tribune" is a great newspaper and might be a wonderful power for good, but seems of late years to be serving purely selfish ends. The recent exhibition of purchased perjury in the White bribery case has done much to destroy its prestige and an uplift advocate.—J. Adam Bede in Duluth Budget.

ALL this leads one to inquire where the profit can be in the editorial department driving away subscribers at such a rate that the business office is forced to get them back by giving away houses and lots, and to pay the rent of its new readers?

ARTHUR von GWINNER of the Deutsche Bank, Berlin, can see no hope for American finance until we have a central bank. He thinks it the only remedy for our periodical devastating money panics. He would have it modeled after the Reichsbank, of course? He fears our present banks are "the playthings of politicians" which is where he slipped his trolley. He should come over for just one brief interview with the Chicago clearing house committee. Then he would be wiser.

CORN EXCHANGE NATIONAL has put in a pension plan, after its being fully examined and approved by the directors. "The last year was about as good as any we have ever had," said Ernest A. Hamill, the president, "and in some respects the best."

WE always said things would hum over at the Corn Exchange, if Mr. Hamill would get about to the conventions. He joined the de luxe excursion to the Los Angeles A. B. A. talkfest, last fall over the Northwestern and didn't miss a banquet in the whole three weeks he was "on the road." Now you see the result.

TRULY all the big bankers should do likewise. The personal equation is it after all. If it wasn't you wouldn't be reading this column. See?

CHAS. N. VOSS, W. E. Coffin and J. Hass are a committee of the Iowa Bankers Association to report on causes of Iowa's decrease in population, in the last ten years. In reporting to the members this committee, among other things, agrees that:

"IT is quite generally conceded that among the reasons for the decrease in the population of the state of Iowa are some of her unreasonable and unjust laws covering taxation. Almost every banker in Iowa knows of people who have left his community and taken up their residence where the tax on moneys and credits is more equitable. The modification of our tax laws is one of the important questions that will be considered at the coming session of the legislature. We know of none who could be more deeply interested in this question than the banker and we earnestly recommend that you take an interest in the subject."

FURTHER, the committee finds that "the tax ferrets are planning to invade the banks of this state. On the 20th of last month, a bank in Dubuque was forced to go into court at the instigation of the tax ferrets. Other banks in this state have been victims of these agents who are out for the 15 per cent commission. This ferret law has become so obnoxious that there is quite a strong sentiment for its repeal at the coming session of the legislature, and a bill for that purpose will be introduced early in the session. In the interest of the tax ferrets a bill will be introduced making it compulsory for every county to employ a tax ferret. In our judgment, the bankers of this state can do their communities and the state no greater service than to take an active interest in securing the repeal of this obnoxious tax ferret law and the enactment of a more just and fair modification of our taxation system. Your most effective efforts will be by conference as soon as possible with your local senator and representative and getting them interested along these lines."

OF the correctness of the conclusions of this committee there can be little doubt. Many wealthy families are moving over into Illinois or going farther West. Corporations too, are doing likewise and if the "tax ferrets" break into the banks there will be a shifting of balances to Chicago and elsewhere that will shake up credits like an earthquake. Iowa is too great a state to be in the hands of cranks and pirates. Perhaps all this tends toward a direct land tax after all.

ARTHUR REYNOLDS is sending out to the friends of the Des Moines National, a handy paper knife. A lot of people would like one of the pens that the popular Iowan uses in making his signature look like a camp of wireless telephone towers.

P. W. HALL, secretary for Iowa, is out after burglary insurance. He might do a land-office business if he could insure against the Iowa tax ferrets, a much worse evil than the Yeggman whom Burns is teaching to let banks alone.

CITIZENS NATIONAL of Bellevue, Pa., of which Cashier D. C. Wills of the Diamond National, Pittsburgh, is president has purchased a site for a new bank building. The Citizens National is but three years old but has prospered greatly.

LANDON CABELL ROSE is president of three prosperous Chicago banks. They are the Colonial Trust, North Avenue State and Michigan Avenue Trust. The same interests are represented in all three institutions, and nothing but straight forward, old-fashioned banking is practiced.

I WAS one of the original subscribers to "THE CHICAGO BANKER" and have always been one of its ardent supporters.—Chas. C. Brown, president of the Wisconsin Bankers Association.

DURING the month of December twenty-four applications to organize national banks were received by the comptroller of the currency. Of the applications pending, sixteen were approved and nine rejected. In the same month eighteen banks, with total capital of \$1,615,000, were authorized to begin business, of which number ten, with capital of \$265,000, had individual capital of less than \$50,000, and eight, with capital of \$1,350,000, individual capital of \$50,000 or over.

THE total number of national banks organized is 9,913, of which 2,682 have discontinued business, leaving in existence 7,231 with authorized capital of \$1,014,591,135, and circulation outstanding, secured by bonds, of \$693,370,056. The total amount of the national bank circulation outstanding is \$727,705,981, of which \$34,335,925 is covered by lawful money of a like amount deposited with the treasurer of the United States.

BARTLETT STATE BANK, of Bartlett, Ill., has had its opening. The capital is \$25,000. Edward J. Schmidt is president, Herman W. Schnadt vice-president and E. H. Glos cashier.

INTERTRUST SECURITY COMPANY is the latest swindle put over the jumps by the U. S. for using the mails to get hold of the money of the innocents. Neither trust nor security should have been mentioned on the label, according to the pure food law. Mining shares were the excuse for taking the money.

(Continued on page 30)

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Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

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A. A. CRANE, Vice-President	G. A. LYON, Assistant Cashier
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CORN EXCHANGE NATIONAL BANK . . . OF CHICAGO, ILLINOIS

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D. A. MOULTON, Vice-President	JOHN C. NEELY, Secretary
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ALEXANDER H. REVELL, President Alexander H. Revell & Company	JULIUS KRUTTSCHNITT
	CHARLES G. DAWES, ex-Comptroller of the Currency

Alabama Convention

President W. L. Lancaster of Wetumpka delivers his annual address at the Montgomery convention, specially called to urge the legislature to pass a new bank act putting all forms of banking under State supervision and control

Not quite a year has passed since our convention in Birmingham, where I was honored by being made president of this association. We meet to-day under somewhat different conditions and time than usual; our state convention having met heretofore in May, it was not anticipated until a few weeks ago that the date would be changed from the regular time of meeting. But all of you will recollect that at our meeting in Birmingham last May the most important subject considered was a change in our state banking laws, the convention in its final deliberations taking a very decided stand on this subject, named a legislative committee with positive instructions to prepare a bill embodying certain distinctive features, and submit same to the incoming legislature of our state for enactment into law.

You could not have appointed a more efficient or faithful committee. Messrs. Manley, Buck and Rison, all eminent state bankers, comprise this committee, and however much some of you may differ with some of the details of the bill that will be presented by them for your consideration at the proper time, yet their unselfish labors demand more than ordinary notice; to my own knowledge they have made their own business secondary to that of the association, and I take advantage of this opportunity to express to them on behalf of myself and my associates our appreciation of the good work which they have done, and I feel that this association will so express itself after a careful consideration of the bill and their labors. Your legislative committee some weeks ago notified your executive officers that they had completed a tentative draft of the bill, and suggested that after same had been gone over and revised, that it might be a good idea to call the annual meeting of the association some time in January in Montgomery the regular selected place if agreeable to our hosts, and there consider the bill, the state legislature then being in session. Our Montgomery bankers through their clearing house association, very courteously and promptly gave their assent to entertain us at any time desired; the executive committee was communicated with on the subject, and as I am informed by our secretary, unanimously and enthusiastically endorsed the suggestion for a January meeting, and this is the explanation due you for the change in dates and for this new departure.

It is with great pleasure and some pride that I call this association to order to-day in this beautiful "Capital City" of ours, I say ours, because all of us feel a personal interest in Montgomery the "Cradle of the Confederacy," and although she may not quite have reached "one hundred thousand in 1910," yet she deserves all the good things that come her way; and with the "Key of Opportunity," continually flashing before the outside world, as it now does at the foot of Commerce Street, it is a question of only a short time when she is bound to come into her own in population and material things her due, as she now possesses beauty, culture, and social qualities unexcelled

the world round. It, therefore, gives me pleasure to preside over an association of this kind, I might say, in my home town—for do not citizens of Wetumpka look forward to the day when either Wetumpka will annex Montgomery or vice versa, they being only a few miles apart now. Montgomery and her people are dear to me personally. The bankers, professional and business men of this city I count my personal friends, and my pleasure and pride come from the fact that my chosen profession has honored me thus, and I am permitted to express and show my appreciation so near my own home.

Now in reference to the bill gotten up by your legislative committee and which has been printed and distributed, I dare say, to every banker in the state, and which is the main cause of your meeting at this date;—as the president of your association I heartily endorse this bill. I do so not that I agree to the letter with everything in the bill. If I had done the drawing of it, I might have had some things a little different, according to my own personal ideas, but I endorse this bill as a whole, because I believe it comes as near or nearer satisfying all the needs of expert supervision and management of banks in this state than any other that could be devised with the various interests at stake to be considered and provided for, and so many different ideas held by different bankers on this subject to be reconciled, and it is in this light I believe that this bill to be nearly ideal. I had hopes that the committee might find some way to satisfy our branch bank friends without weakening the bill; they tell me not, and as I am not prepared to meet their arguments against this method of banking, I am forced to conclude that notwithstanding strong personal friends engaged in branch banking, that this part of the bill should stand somewhat as written. If we could always have the strong personalities now at the head of these institutions of the state and none others, we might be willing to do otherwise, but laws cannot be made to fit particular individuals and localities, but must be made to fit all characters and conditions.

This bill as finally printed has been carefully revised and changes made of the original draft after consultation with the executive officers of the association, and prominent bankers of the state; suggestions being received and considered from every source obtainable. I commend it to your careful and earnest consideration in this convention. Let us have all the discussion needed, and then, after this convention has acted, let us lay down some of our individual views and as a united body express our approval of whatever is agreed upon to our legislators, and use our influence towards its passage and enactment into law; for gentlemen of this convention, you need not expect others to do your work for you, naturally the rest of the state feels that if the bankers do not know what they want and need, there is some excuse for themselves. If bankers would only get at the bottom of

things, quote basic principles, and stand together for right things to be done, there would seem to be no reason why it should not be accomplished for the good of all. Heretofore the greatest trouble has been that the bankers themselves could not agree; the time has come, however, when it should not be difficult for bankers to both know and understand; undoubtedly the bankers conventions have been of the greatest assistance to the banking of the country, and to the individual banker himself;—the discussion of important banking questions, the practical views on currency matters, and laws governing banks, and the earnest desire shown on the part of three bankers to get at the truth of things for the benefit of all, have gone a long way towards improving matters.

The banking business like many other business enterprises is prone to get into a rut and stay there, and doubtless there are many in that rut to-day, though perchance they do not realize it. Some of you may say "Why not let well enough alone, and why foist on us any new plans which we would be compelled to familiarize ourselves with." To such I say get out of the rut and beaten paths. The one who follows only where the rut leads him loses his own individuality." This is an age of progressiveness. It is a time when new schemes and new ideas for the betterment of all lines of business are thought out, and threshed out, and then adopted, because men at the head are wise enough and progressive enough to leave the ruts and take advantage of opportunities and conditions that lead to success.

The early banker was engrossed with the care of his business. He knew all that went on in its boundaries, but did not recognize to the extent he does to-day, that he holds a trusteeship for all the people, their happiness and their prosperity. He was wont to consider the conduct of his business a private matter of no concern to anyone but himself. It is astonishing to know that the first laws enacted for the regulation and supervision of banks met with opposition from the bankers. That they alone were to publish statements of their condition seemed unwarranted. When it was proposed to place examiners in the banks from time to time to whom would be revealed the private affairs of the bank, many bankers actively opposed the plan; but fortunately reform measures prevailed, and the bankers know now that they prosper in proportion to the confidence that the public has in them. To gain that confidence he must, in the searching glare of the business of these days, be open, frank and candid; welcome intelligent supervision, and be the first to drive from his ranks the designing, the dishonest, and the incompetent. Hence to-day the banker openly urges reform, but at the same time counsels care, and deprecates thoughtless haste in legislation; by such methods he is leaving the imprint of his knowledge and experience upon the laws of the land. I believe the enactment into law of your committee's bill, with possibly a

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I N V E S T M E N T S E C U R I T I E S

few changes, will put the state banks of Alabama in the foreground as the leaders in insuring to their depositors absolute protection, and doing away with the guaranty of deposits fallacy and similar undesirable doctrines. In fact, with this law on the statute books and properly administered, the state bankers of this state would have a decided advantage over the national. I think I speak advisedly.

The national system is not perfect by any means. Senator Aldrich, chairman of the National Monetary Commission, recently said at a special session of the American Academy of Political and Social Science held in Philadelphia: "The structural weakness and practical defects of our national banking system are shown by the relative growth of national banks and state banks and trust companies in the past twenty-five years. Within this period the number of national banks has increased 4,268, while the number of state banks and trust companies has increased 11,085. The capital and surplus of the state banks and trust companies have increased in the same time from \$175,000,000 to \$1,283,000,000. In many important communities practically all of the banking business is carried on by state banks and trust companies."

Therefore let the bankers of every description and name realize that none of us has a monopoly of the good things in banking, but that there are defects in both systems to be worked out to the betterment of banking in general by the united efforts of all concerned. For, if we are to give the banks of the country and of every section an opportunity which can only be afforded by the general government for association and co-operation, the result must be of such a nature as to be mutually beneficial to all banks and clearly in the interests of the people of the country as a whole. I am not prepared to say, as some do, that a "Central Bank" is the solution of all our banking troubles, especially in time of panics and monetary disturbances; though I am inclined very favorably to some such idea, for all our experiences teach that the reserve banks are such in name only, and the most vital reform needed in banking to-day is to provide a really efficient system of reserve banks, as we all know that the main trouble with the country banker during the time of panic is to get back the money deposited with the reserve agent. There may be two sides to this question, though I am unable to see but this one for the present. I shall not undertake to discuss this live national question further at this time, though it is a question that vitally interests us all, and is being considered by the country over, and is a question that the Alabama bankers should have their share in considering and solving. The year 1907 is not so long passed that we have forgotten the events that threatened financial havoc, and all of us felt at that time that something must be done and done quickly in a legislative way to make our currency system more responsive to business needs; but whatever system is provided for to make it a success, should include all systems of banking, both state and national. Alabama

bankers should have clear and definite ideas on all questions relating to banking and the solution of these problems, and the courage and energy to strive for a satisfactory conclusion, whether in our state or national legislative bodies.

Once again as to our state legislative bill, let me emphasize the importance of passing some such bill through this legislature. If nothing else is done at this convention than to solidify the bankers of this state behind a reasonable state banking law, it alone will stamp the Alabama Bankers Association as a live, progressive concern which does things for the real good of the banking interests of the state, and this is but another way of saying that it accomplishes good for the state in general. Because the fact is, anything that makes for the security and usefulness of the banking interests of the state is helpful to the whole community. It will tend to emphasize the certainty, that if this association is to survive and continue its work of usefulness to the state, it must continue to be an active, energetic force, which has for its purpose the accomplishment of something that is real and tangible. In this connection, I would like to suggest to all the members of this association that the officers of the association are ready always to hear suggestions as to lines of work which may profitably be taken up and pushed to a conclusion.

Owing to the shortness of our year's work there have been no group meetings, but a place on the program has been assigned our group vice-presidents for short reports on general conditions in their respective groups. This group idea is a good thing, and I recommend its continuance, and would further recommend that if the next annual meeting is put off until May, 1912, that not less than two

meetings be held in each group, one some time this spring or summer, and one again in the spring of 1912, before the annual meeting in May. In conclusion, apparently there is no cause for pessimism in the present business outlook, for when things go well with the farmers the demand for commodities is constant and trade is brisk. This state notwithstanding its large lumber, coal and iron interests, is an agricultural state and our farmers are more prosperous and happy than at any time in their history. With the guiding hand of the patriotic banker all should go well. We have a great state and a great nation. In traveling throughout the world we come back to this country with a desire to lift the hat, realizing its greatness and its future possibilities. It is a most wonderful country. From the great sweep of the Atlantic ocean to the deep blue of the Pacific, from the border of Canada to the confines of Mexico, there is a veritable expanse of promise and plenty. Whatever ability a man possesses he can find an outlet for. From the earth's surface he can garner the grain, from her bosom he can drag the precious minerals. Prairie land and mountain level plain and steep await his coming, and the teeming millions of the cities provide a market for his products. In the grand sisterhood of states, I do not misstate the facts in saying that Alabama stands out among the first in natural resources and advantages, for does she not command all the prime requisites, cotton, lumber, coal and iron. Alabama needs the active as well as the passive assistance of the men behind the bank accounts. Solidity, sense, safety, all seem synonymous with our bankers, whatever drawbacks there may be in the banking system,—the errors are of the head and not of the heart, as is proved by our progress and purposes. In the coming years there must be a balance of power—and that is always held by the conservatives. Let us not stay out of the fight. Let our motto be "Alabama, I will aye be true to Thee."

I again thank you for naming me as the president of this association. I trust our convention will be a successful one, and that the coming year has in store for you all happiness and prosperity.

J. Herbert Anderson, a promoter, has instituted proceedings in the Spokane county superior court against F. M. March of the National Bank of Commerce, for \$5,225, the amount he alleges is due for advice and counsel and his endeavors in assisting in the organization of the banking concern in the spring of 1909.

State Senator R. C. McCroskey of Garfield, Wash., who is declared by the Department of Agriculture to be the best wheat farmer in the United States, making a record of 46,590 bushels on 1,000 acres of non-irrigated land in the Palouse country, south of Spokane, is president of the Pullman State Bank at Pullman, Wash., also owning large blocks of stock in the First National Bank of Pullman and the Palouse National Bank of Palouse, Wash.

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ILLINOIS BANKING NEWS

By C. C. Burford

"Complete in every detail." This is the opinion of the friends of the new First National of Champaign. The officers of the bank held "open house" for two evenings after the bank was occupied, and a throng of admiring patrons and friends of the bank visited the new quarters those evenings. President H. H. Harris, Vice-President B. F. Harris and N. M. Harris and Cashier Capron were "on duty" to show their friends the new home of the bank.

In the words of Mr. Capron, "the bank is as complete as we can make it," and surely he expressed it correctly. B. F. Harris has visited Chicago, Pittsburgh and other banking centers, and, securing the most advanced ideas in those places, has put his information into active play at Champaign, where one of the best bank buildings in the Central West stands to-day. The vault is especially interesting, it being a Donnell with the round door, the door weighing eighteen tons and together with the framework weighs twenty-five tons. The yeggmen who have enjoyed such good professional success in Kansas have to begin work immediately after supper if they expected to reach the cash box of the Harris family before the breakfast-bell would ring.

Breese Bank Nationalizes

The bank of Schafly Brothers at Breese will begin business under a national charter in the near future. A new bank operating under a state charter will also be started at Breese. This town is located about twenty miles from East St. Louis on the Baltimore and Ohio Southwestern railroad.

Peculiar Accident at Peoria

The snapping of a chain resulted in the fall of a giant seven ton Corinthian column of Green River sandstone which was being placed in its position in the front of the new First National building at Peoria. The column fell from an upright position and crashed full length upon the sidewalk. Three workmen and several passers-by narrowly escaped injury. The concrete walk was badly damaged.

This column is one of four which is being used in the new bank building, and was so large that a special quarry was needed to turn it from the stone. The damage to the column and the delay in the work will cost the contractor about \$800.

Merritt Heads Hoopeston National

John L. Hamilton has resigned the presidency of the Hoopeston National. Isaac E. Merritt, who has been the cashier of the bank since it was nationalized eighteen months ago, is the new president. The new cashier is Mark R. Koplin, who has been assistant cashier for a year. Messrs. Merritt and Koplin came to Hoopeston from Buckley, Iroquois county, where they had been successful in the banking business. Mr. Koplin's father was an old-time successful banker at Buckley. These men own considerable farming land in Iroquois county, and are heavy stockholders in the Hoopeston National. Mr. Merritt is president of private banks at Buckley and Danforth.

Bank Director on State Board

B. M. Davidson, a director in the Marshall State of Marshall, is a member of the state

board of agriculture from the eighteenth congressional district and enjoys the distinction of being one of the youngest members of the board. He is a member of the Illinois bar, has served as enrolling and engrossing clerk in the state house of representatives, and has been state's attorney of Clark county. He owns two good farms near Marshall and is an extensive breeder of Shropshire sheep and Angus cattle.

Jacksonville Banker Dead

E. S. Greenleaf, director in the Ayers National of Jacksonville and of the Whitehall National of Whitehall, is dead at the age of 72. He was a native of Maine, but most of his life was spent in Illinois. For many years he was an agent of the Wabash line and the St. Louis, Jacksonville, and Chicago railroads, now a part of the Alton system. He was interested in a number of business enterprises and served three terms as mayor of Jacksonville.

Bank Changes at Bloomington

C. C. Aldrich, who has served twenty-five years as vice-president of the State National of Bloomington, has resigned because of advancing years. The State Safe Deposit Company has been dissolved and the business of renting safety deposit boxes will be handled by the State National and the State Trust and Saving Bank.

James P. Hackett was elected president of the McLean County Bank, a position which he has nominally held for some time.

New Bank at Rock City

A permit to organize the Rock City State Bank of Rock City, near Freeport, has been issued by the state auditor. The permit was issued to Herman Boklof, A. A. Millenbrandt, Henry Graham, and others.

Changes in Treasurer's Office

State Treasurer Edward E. Mitchell has announced that Andrew Russel, of Jacksonville, retiring treasurer, would remain in the office as assistant treasurer. Henry C. Luerhs, of Kankakee, will be cashier and Frank L. Fiech

will be warrant clerk. Edward C. Beck, of Jacksonville, assistant treasurer under Mr. Russel, will be inheritance tax clerk, a new position. J. A. Sullivan, of Carbondale, will be bookkeeper, Ira George, of Chicago, will be stenographer, and George P. Gardner, of Mendota, will be messenger. Treasurer Mitchell is cashier of the First National of Carbondale.

Illinois Notes

William Hazzard, assistant cashier of the Commercial German National of Peoria, and one of the prominent bankers of that city, has been added to the directorate of the institution.

The Farmers National of Pekin has elected F. E. Rupert president of the bank for another year, and upon the completion of this year Mr. Rupert will have served as president of the bank for twenty-five years.

The German-American National of Peoria, a "Roll of Honor" bank, has declared an annual dividend of ten per cent for the year 1910, besides adding large sums to the undivided profits account.

James Milligan, cashier of the Union Bank of Smithshire, near Monmouth, has been added to the directorate of the National Bank of Monmouth. The three national banks of Monmouth together with the Monmouth Trust and Savings Bank have total deposits of about three million dollars.

President Edmund J. James, of the University of Illinois, will speak before the Chicago Association of Commerce January 26th.

Deposits in Decatur banks have decreased \$946,908 since January 1, 1910. The total deposits in Decatur now are \$6,526,000. The holding of corn by farmers is given as the reason of the decrease.

Money Firmer

There is rather more firmness in the local money market this week. Bankers quote discount rates as steady at $4\frac{3}{4}$ to $5\frac{1}{2}$ per cent, with the majority of counter transactions at 5 per cent. Secured paper is $4\frac{1}{2}$ to 5 per cent and call loans 4 to $4\frac{1}{2}$. Bonds are fairly active and capital seems plentiful for the more popular 5 and 6 per cent issues.

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Capital - - - \$1,500,000

Surplus and profits (earned) 1,700,000

Deposits over - - - 22,500,000

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Money, Banking and Finance from Chicago Viewpoint

Western bankers are viewing with extraordinary interest the absorption of American securities abroad. Notwithstanding the present easy condition of the local market this city has no money of consequence to spare for the large new bond issues made in the East. It is possible that a small proportion of the fifty million municipal issue in New York will find its way to Chicago, but it is thought that most of these bonds will go to London and Paris.

It is stated by local bankers that the Pennsylvania Railway Company also will market the greater part of its new issue in Europe. Both Paris and London investors are said to be ready for at least one hundred millions more of American securities. The two issues here referred to are the subject of much favorable comment. They are likely to be popular in the home market, but as money is worth more on this side than in Europe they are pretty sure to be disposed of abroad. Even with the present stagnation in the Chicago money market capital is finding employment at better figures. The Burnham and Karpen projects are represented by five per cent issues and others of equal merit are soon to appear.

France a Good Cash Market

Although money is unusually dear in London there is a good bond market there. Paris is still better. The French continue to lead all the rest of Europe in the promptness with which they can furnish cash for desirable securities. The investment buying of American bonds in that country has astonished the world in the last six months. It is noted, however, that the buying is critical.

France long ago won the admiration of the world by its financial ability and power. The people are frugal and sagacious and the nation accumulates capital. The per capita of currency there is about the same as in the United States, although France is only the size of one

of our larger states. The nation has long enjoyed the benefits of an elastic currency and the government has a clear and direct supervisory control of financial matters.

The comfortable condition of monetary affairs in France during the stringency of last fall in the United States has led many to question the sufficiency of our volume of money, especially in view of the vast expansion of American trade. France has about the same area as the state of Minnesota. This country has thirty times as much territory, with a diversity of crops and other commercial interests sufficient to severely test its currency system every fall. There are times when the business of this country cannot be carried on without straining the credit of the banks.

Future of Money and Business

As the building program in this city continues to grow bankers get a new view of financial and trade prospects. The Insurance Exchange has really set the mark for real estate securities at 5 per cent. The range will be from 5 to 6 per cent on bonds of this class, several attractive issues bearing the outside rate having appeared this winter.

Indications this week are that the money market will go into a more active state before the winter is gone. It is the consensus of opinion in banking circles that the bottom has been struck and that money will work to a higher level by early spring. The mercantile trade is heavy enough to inspire the belief that the year will be pretty near normal in the general run of household necessities. Manufacturing has fallen off perhaps twenty-five per cent from the record of a year ago. This applies mainly to the heavier lines of goods, particularly steel rails and other articles pertaining to railroad construction. Cotton and wool have had active markets with firm quotations since the opening of the new year. Dry goods and grocery jobbers everywhere

tell of a satisfactory trade. Taking all things together, Chicago bankers and merchants see much that is encouraging in the business outlook.

One of the most significant facts which have come to light this week is the decision of the steel corporation to resume operations in its Gary rail mill. Judge Gary states that there has been a sufficient increase in rail orders to justify the resumption of work at the mill. Not less than 2,000 idle mechanics will be restored to work.

There is a growing belief that the railroads will receive permission from the Interstate Commerce Commission to raise their freight rates and thereby augment their gross revenues sufficiently to compensate them for their greatly increased operating expenses.

Heavy Buying Hinted At

The unanimous determination of the larger steel manufacturers to maintain prices might seem to indicate heavy buying expected in the near future. But the demand has not shown any improvement yet.

Manufacturers say that a reduction at this time would in no way stimulate business. It is now said there may be another conference of the manufacturers in a few weeks, and in the meantime if there is more cutting of prices by some of the smaller independents consumers are likely to hold off until the market is on a more settled basis.

There is something doing in structural iron and steel right along. Manufacturers not only look for an active season but are daily receiving substantial orders from all the larger cities of the country.

Publication of a favorable statement on this country's exports of agricultural products has added to the cheerful feeling in financial circles. During December there were total shipments of \$103,021,198, compared with \$53,856,863 for the corresponding month of the

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previous year. This includes cotton, wheat, corn and produce generally.

Publication of the plans of the Pennsylvania Railroad to authorize the issuance of \$100,000,000 more capital stock led to rumors that this financing was to be arranged in order to supply the road with funds needed to pay for additional stock in the Norfolk & Western which the Pennsylvania has bought. It was admitted in authoritative circles that the company bought a large amount of Norfolk & Western stock about eight months ago which, with its previous holdings, gave it a clear majority.

Farm Values are Firm

E. W. Wagner has five hundred special reports on farm values, covering 30 per cent of the middle and Southwestern grain belts and showing no signs of liquidation as the result of depreciation in coarse grain values or any other cause. Only three of fifty Illinois reports show declines in values as reflected by recent sales of land, among which are the following representative transactions (per acre):

Canton, \$135 to \$200; Sheldon, 175; Chenoa, \$237.50; Meadows, \$225; Jacksonville, \$225.

Recent Iowa farm sales include the following: Fonda, \$90 to \$140; Grinnell, \$150 to \$225; Newton, \$100 to \$150. Sales have been made near Hartford, S. D., at \$75 to \$93, or 30 per cent advance in one year. Values in Champaign county, Ill., are steady.

Manhattan, Kan., reports "average \$100, firm," and Joplin, Missouri, reports "no decline yet." Some parts of Ohio show signs of weakening a little, but values generally are steady. Springfield, Ohio, quotes \$125, which is about the top. Values in Nebraska, Michigan and the Northeast seem to be steady.

"The reports indicate," says Mr. Wagner, "that good farm lands are still regarded as among the best investments, notwithstanding the advanced prices."

Demand is for Better Farming

How to attain better farming, how to in-

terest capitalists in needed land development and how to keep young men and women in the country are problems that continue to interest people everywhere. This general interest is bound to have good results. A great deal of encouragement is found in a number of educational movements in the line of agriculture. Financiers and other leading men admit the need of making heavier exports and to accomplish this better farming is required.

E. C. Converse, better known as a banker and as one of the officers of the United States Steel Corporation than as a farmer, sent to an exhibition held in Boston last year specimens of apples raised upon his farm which is on the Connecticut border side of Westchester county, thirty miles from New York. In appearance the fruit was fully as attractive as that now brought to Eastern markets from Oregon and Washington. In addition, his fruit had a flavor not to be discovered in apples grown on the Pacific Coast. Yet five years ago the very orchards producing these apples consisted of scraggy trees, which yielded imperfect fruit, and were a part of desolated farms.

W. S. Hale, recognized throughout the United States as an authority on peach growing in a recent address delivered at New Haven, Conn., asserted that with careful cultivation, the peach crop of New England states would surpass peaches grown anywhere else in the world.

Some Practical Demonstration

If it is possible to demonstrate through co-operation between capital, brains and manual labor that the East is capable of securing harvests vastly in excess of those which farmers are now securing that demonstration will be made, and it will teach a lesson in modern or new agriculture of national importance.

It so happens at this time that striking proof of this purpose has been furnished from three independent sources. One proof is the recent organization of a corporation behind which stands the greatest railroad of New York, and

some of the officers of that railroad in their personal capacity, which is to demonstrate, if possible, how well adapted the soil of New York is to the cultivation of some of the crops which have been in recent years in large measure harvested in the great states of the West. The second proof was made by Governor Dix when he intimated to his friends that he should endeavor, so far as lay in his power to influence agriculture in New York state that it may be developed within reasonable reach of its highest capacity. The third proof, which follows like an echo from the statements made by Governor Dix is the acknowledgement of the trustees of Columbia University of a gift of farming land which, with the buildings to be erected thereon, is to be devoted exclusively to the practical demonstration of the splendid possibilities of agriculture in the East.

Wheat Market Dull

It is thought the position of holders is improving in the wheat market, but trade has been lifeless and prices depressed this week. The May option holds on the dollar level. Exports continue fair and country deliveries are falling off. These facts in connection with winter damage to the new crop are looked on as aids to the bull element. A livelier market is anticipated toward the end of winter.

Missouri Date

The popular Missouri Bankers Association, W. F. Keyser, Sedalia, secretary, will hold its annual convention this year in Kansas City, on May 24th and 25th. This is one of the most largely attended of the state meetings, which is in part attributable to the early announcement of seasonable dates and good speakers. Illinois is close enough to this end of the big bridges to take a hint.



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Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	100,000

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MILWAUKEE

NEWS LETTER

By Mortimer I. Stevens

WISCONSIN

The Wisconsin State Legislature is once more in active session and while there is much of interest to the state and manufacturing interests of Wisconsin to come before this session it is somewhat doubtful if there will be much to concern the banking interests. The State Banking Commissioner has said that some revision was needed in the present trust company laws but this proposed revision chiefly concerns that part of the law providing for the dissolution of such companies and the refunding by the state treasurer of the deposit.

Just what action will be taken in regard to the question of the segregation of savings deposits it is difficult to predict at so early a date but it is apparent that such a measure will meet with decided opposition on the part of bankers generally throughout the entire state.

May not Re-appoint Bergh

It is persistently rumored about the capitol that Bank Examiner M. C. Bergh will not be re-appointed by Governor McGovern. While Mr. Bergh was named for the position two months ago by former Governor Davidson, the appointment has not been confirmed by the senate and this gives Governor McGovern the right to make a new choice.

St. Paul Banker in Milwaukee

At a meeting of the board of directors of the Merchants and Manufacturers Bank of Milwaukee held during the past week, arrangements were concluded with W. F. Myers, formerly first vice-president of the Capital National of St. Paul, whereby Mr. Myers is to be

elected vice-president and managing officer of the bank at the annual meeting of the stockholders on Jan. 28th. He will enter upon his duties immediately.

Mr. Myers was born on Long Island, of Knickerbocker ancestry, prominent in the history of New York. He was educated at the Polytechnic School of Brooklyn, and entered a banking house on Wall Street, where he received his early training. After several years in the State Bank of Syracuse, N. Y., he carried on a successful banking business in southern Minnesota. For fifteen years he has been identified with the Capital National Bank of St. Paul, as first vice-president. Mr. Myers is a man of wide interests and experience in educational and philanthropic as well as business matters, having been treasurer of the Chamber of Commerce of St. Paul and the Society of Colonial Wars of Minnesota.

Mr. Myers is not wholly new to Wisconsin, having educated part of his family in this state. He was a relative of P. M. Myers, secretary of the Chicago, Milwaukee & St. Paul railway company and often visited in Milwaukee and is well known by bankers and business men of this city. In coming to Milwaukee he takes a large financial interest in the Merchants and Manufacturers Bank and is a man of substantial means.

At the same meeting of the stockholders Edwin C. Knoernschild, present assistant cashier will be made cashier to succeed Martin A. Graettinger, resigned. Mr. Knoernschild is of the younger generation and has been identified

with the bank since its establishment. He is progressive and among business men and bankers of this city bears an enviable reputation. Mr. Knoernschild has had a splendid training in commercial lines and coupled with his banking experience makes him well fitted for his new position.

The Manitowoc Postal Savings Bank

The postal savings bank at Manitowoc has been in operation something over two weeks and while there has been no stampede there has prevailed a steady and increasing patronage. Deposits have averaged about \$100 a day and about seventy accounts have been opened. Laboring men and working girls constitute the bulk of the depositors but there has been little patronage from the farmers. A great many have come to the bank, but finding that they would not be permitted to deposit more than \$100 a month, have given the matter up entirely.

The beginning of many an account has been seen in the cards and stamps. These are bought by children and others in 5 and 10-cent lots and when a dollar's worth has been accumulated are exchanged for a certificate and an account opened. The school children are becoming interested but even this course has been somewhat of a disappointment to Postmaster Kress as it is not as large as expected.

Wolf is Made Vice-President

Herman F. Wolf, for several years cashier of the Wisconsin National of Milwaukee, was



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The First National Bank of Milwaukee

Marshall & Ilsley Bank Milwaukee, Wis.

ESTABLISHED 1847

Capital \$500,000 Surplus and Profits \$500,000

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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F. X. BODDEN, Mgr. Bond Department	G. A. RUESS, Mgr. South Side Branch
S. H. MARSHALL	J. H. TWEEDY, Jr.
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elected second vice-president at the annual meeting of the stockholders recently, succeeding Charles E. Arnold, resigned. Mr. Wolf is succeeded as cashier by Lyman G. Bournique, who has been assistant cashier for a number of years. There was no other change in the list of officers nor in the board of directors. The business transacted at the meeting was purely routine and the reports presented by President L. J. Petit, showed the institution to be in a highly satisfactory condition.

Considering Two Prominent Sites

The new home of the First National and the First Trust & Savings Bank of Milwaukee may be located on the southwest corner of East Water and Mason streets, opposite the Kirby House. An officer of the bank says that various sites have been considered and that no deal has yet been closed. The property referred to is 100x160 feet and runs back to the river. It is valued at \$250,000. Another plan said to have been considered is the acquisition of a long term lease on the Camp building site where the bank is at present located.

Trust Company Development

Trust companies have developed rapidly in Wisconsin during the past eight or ten years, which so nearly corresponds to the life of one of these institutions, the Wisconsin Trust Company, that the two facts may be fairly said to have some relation. One result of this rapid growth has been some misunderstanding of the actual relations of these concerns to Milwaukee and Wisconsin finance. For instance, a dispatch from Madison, published in a Milwaukee paper recently said that "they had progressed very largely in the banking enterprise," and that their trust business was negligible. The person who wrote it got his information from the report of the Commissioner of Banking, which is all right, and shows compliance with the provisions of the law by the trust companies, but none of the trust companies report trust business.

If this was done, the report of the Wisconsin Trust Company, alone, would aggregate more than the total amount reported now by all of the trust companies of the state. The Wisconsin Trust Company also leads in another branch of investment banking, the sale of bonds and securities, and the local career of its president, Oliver C. Fuller, is largely the contemporary history of this feature of Milwaukee finance. When he began the bond business in Milwaukee about 18 years ago,



W. F. MYERS

there was an occasional visiting bond salesman from Chicago, but the preference here was for real estate mortgages almost exclusively, and outside of the insurance companies, investors in bonds were few.

To-day a good authority places the aggregate bond sales by the Milwaukee dealers at \$15,000,000 annually and the Wisconsin Trust Company is credited with selling at least one-half of this amount. Ten years ago the total resources of the local banks were \$55,000,000. To-day they are almost twice that sum, and if the trust companies are included the growth in ten years is considerably over 100 per cent.

Davis to Head Racine Bank

According to authentic information Warren J. Davis, present cashier of the Manufacturers

National of Racine, is slated for the position of president at the next meeting of the board of directors to succeed Ernest J. Hueffner, resigned. Since the resignation of Mr. Hueffner from the presidency, which was also accompanied by the resignation of Byron B. Northrup, vice-president, there has been much speculation as to who would be the next executive head and Otis W. Johnson, president of the Fish Brothers Wagon Company, and one of the largest stockholders in the bank, was reported to be scheduled for this position. Just who the next cashier will be is a matter of conjecture at present, but that it will be someone who is not at present employed in the bank is almost assured.

The retirement of Mr. Hueffner and Mr. Northrup did not come as a great surprise to the public. Both men, while engaged in the banking business for a great many years, are getting along pretty well in life and are gradually getting away from business cares. Their desire to do this was evidenced in their resignations as tendered to the board of directors.

News about the State

The Crawford County Bank of Prairie du Chien reports an unusually good year with the surplus increased from \$13,000 to \$20,000 and a dividend of 10 per cent.

The Bank of Green Bay has declared the usual dividend and has increased the surplus fund \$5,000, the capital and surplus now amounting to \$30,000.

Charles Becker, Sr., father of Frank F. Becker, president of the First National of Kaukauna, died recently after a short illness.

The Farmers State Bank of Waupaca opened its doors for business January 9th.

The First National of Mondovi reports an increase of \$30,000 in deposits during the past two months.

The Farmers & Merchants Bank of Jefferson has allowed a five per cent dividend to its employees and a 10 per cent dividend for the stockholders.

The First National of Fond du Lac has passed its fifty-sixth milestone and is now in the fifty-seventh year of its banking business in Fond du Lac. All of the old officers and directors were re-elected at the annual meeting.

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Capital
\$2,000,000
—
Surplus
\$2,000,000
—
Deposits
\$33,000,000

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G. W. GALBREATH, Cash.

J. R. COOKE, Asst. Cash.

D'A. P. COOKE, Asst. Cash.

R. S. HAWES, Asst. Cash.

H. HAILL, Asst. Cash.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

First of the year interviews from St. Paul bankers give the inside of the Twin City situation as well as that in the Northwest as viewed by them. Briefly and condensed they are: E. H. Bailey, president First National—Outlook as encouraging as in January, 1910. With normal crops look for prosperous business season.

A. L. Alness, president Scandinavian-American—We have enjoyed excellent year. The Northwest held its own last year and the outlook for 1911 is promising.

G. H. Prince, vice-president Merchants National—General financial outlook for year is very fair. The money crop has been large. So much depends on this year crops that prediction would be hasty.

H. Von der Weyer, cashier National German-American—Indications are for average year of fair proportion. Business is recuperating from year of depression. The process will grow as year advances. Business will be as good as last year, possibly better.

J. L. Mitchell, president Capital National—Good year. Money easier than for some time. Outlook is promising.

L. H. Ickler, cashier American National—Nothing in evidence to cause worry or to indicate that the banks of Northwest will not do big business in 1911.

Trade Situation in Twin Cities

In its summary of the situation the Northwestern National Bank Review for the month says editorially:

In the Twin Cities, trade at the close of the year compared quite favorably with a year ago, but owing to the poor crop in the Northwest and more particularly in North Dakota, banks having a large country correspondence show smaller deposits than last year and have been called upon to an unusual extent for assistance by bankers in the affected territory. Local rates for some time have averaged from one-half to one per cent higher than in financial

centers further East. A slight sagging tendency developed at the end of the year.

From a conservative viewpoint, we are entering upon the new year with much to encourage, perhaps not optimism, but a steady confidence. We have passed through a year which has been fairly profitable to properly conducted business enterprises. Extravagance in business and private life has been discouraged. Influenced by the uncertainty of the outcome of the important litigation referred to above, the tendency has been to produce a gradual liquidation and contraction of business to safe limits, which has brought about a condition that will not work injury by being continued indefinitely until doubtful elements have been cleared up. Business can then proceed gradually, enlarged by healthy, normal and regular growth, rather than by any sudden and violent expansion.

Ultimately, much good cannot fail to come out of the past year's experience in the North-

west. It has been a too common practice on the part of not only merchants and manufacturers but bankers and farmers to base their operations in the earlier part of the year on the assumption that the usual bountiful crop will be harvested. Without making proper allowance for the uncertainties of agriculture, which, of course, in the long run have always righted themselves, some have placed themselves in position where they have been more or less seriously inconvenienced through poor collections, and the lesson learned therefrom will not soon be forgotten and cannot fail, wherever experienced, to result in more conservative methods in the future; all of which will inure to the credit and standing of the splendid rich territory which looks to the Twin Cities as its financial center.

Minnesota Convention at Bemidji

Outside bankers who attend the Minnesota convention will get a breath of the Minnesota piney woods. The executive council decided on Bemidji, in the northern lake district, and for June 21st as the date. The committee met in St. Paul and was dined as guests of G. H. Prince of the Merchants National, D. S. Culver of the National German-American, and G. C. Power of the Second National.

The council indorsed the report of the agricultural committee which made points as follows: Something should be done to give educational opportunity to the masses and less to the classes; that the proposal for consolidating rural schools appears to be a good one; that a commission of three or five educators be appointed to examine exhaustively conditions in the state and report its findings to the legislature, and that industrial training in town and city schools be fostered.

Searching for Missing Yeggman

Serious error has been committed by one of the yeggmen. He has left the gaol at Oskaloosa, Iowa, without permission of the authorities. An investigation has begun to find why

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Fort Dearborn National Bank Chicago, Illinois



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Surplus and Profits 400,000

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We particularly desire the accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and we wish to serve you

the gaoler let Paddy Gorman go without a signed permit from C. R. Frost, manager, or C. D. Brown, special agent for the Interstate Protective Association of Minneapolis, Minnesota. Another breach of courtesy is his desertion of Illinois Slim and Iowa Shorty. Meanwhile Mr. Brown is so busy appearing against Dynamite Bill Shanks, Indiana Frank Loftus, Billy Forbes and Jimmy Mason at Brookings, S. D., that he has not been able to join the man hunt. The last named men are said to have failed to get \$7,000 in banks at White and Bushnell, S. D., and are held.

Edens Visits Twin City Bankers

Hobnobbing with the governor, dining with the members of the executive council of the Minnesota Bankers Association, and inspecting the books of the supreme keeper of records and seal of Knights of Pythias, W. G. Edens, assistant secretary of the Central Trust Company of Illinois, was a busy man last week in the Twin Cities. To cap the climax he addressed an open installation of officers by three Pythian organizations. Edens followed the regular routine of his quarterly visits to Minneapolis on the Pythian errand, with Brig Young of Ada, O., except when it came time to go to a burlesque house matinee, he begged off to visit business acquaintances. Mr. Edens always begs off at that point, the Pythians say. Mr. Edens, as secretary of the agricultural and soil improvement committee of the I. B. A., paid particular attention to the report of Joseph Chapman's M. B. A. agricultural committee, and to the grilling of the governor by the executive councillors as to his attitude on the subject. He mailed from Minneapolis copies of the meeting report to all members of his committee.

"I was favorably impressed with the progress in Minnesota," said Mr. Edens, "and believe that the Illinois bankers, through the committee, will take steps to outline a program of work including the subject of agricultural or industrial training of the boys and girls in the rural districts as well as the cities, and a comprehensive investigation of the whole subject."

Want a Tax on City Bonds

Specific exemption of city bonds from taxation and elevation of the maximum interest rate from 4 per cent is special legislation which Minneapolis is considering. These changes would sell the bonds, it is thought. The former move is part of a plan for popular sub-

scription for city bonds in the future. The treasurer's office is near that of the assessor, hence timidity of purchasers who fear taxation.

George to Speak on Farm Development

"How the Banker Can Aid in Farm Development" is the subject of a talk by Secretary G. D. Bartlett of the Wisconsin Bankers Association at a Wisconsin country life conference to be held February 15th and 16th at the University of Wisconsin.

Surprised at Supreme Court Decision

Bankers elevated their eyebrows when they heard the bank guaranty laws of Oklahoma, Nebraska and Kansas had been upheld as constitutional by the supreme court, after trial in the circuit court of appeals in St. Paul.

E. W. Decker, vice-president and manager of the Northwestern National, is quoted as saying: "I am more than surprised that this law has been held valid. It is the most pernicious piece of legislation ever enacted and we are to be congratulated that we have no such law in this state. 'Wildcat' banking is bound to spring up, while at the same time a sound, conservative banking institution is operated against."

Said F. A. Chamberlain, president of the Security National, "This bank guaranty law will be repealed in the near future by the very states which enacted it."

"It discounts practically every well managed bank and renders John Smith's country bank as safe as the most conservatively conducted institution."

"Furthermore, the state takes on itself a responsibility which, I feel, it is not called upon to assume. This law certainly can be compared to an ill wind which blows no one good."

Chapman to Speak at Fargo

Joseph Chapman, Jr., went this week to Fargo, N. D., to attend the twelfth annual meeting of the Tri-state Grain & Stock Growers Association, to speak on agricultural subjects. Mr. Chapman left immediately after his appointment as chairman of a committee to see that the old Minneapolis city hall is pulled down before the civic celebration in July. The appointment followed an incendiary speech by Mr. Chapman, which was supplemented by Judge M. B. Koon, vice-president of the Northwestern National in a call to form a mob and tear down the shack. Neither meant force should be used in fact, but moral suasion on the city council which refuses to be persuaded.

Security National Buys Improvement Bonds

Sale of \$100,000 thirty-year permanent improvement bonds to the Security National Bank helped Minneapolis which was out of pocket. The Northwestern National and the First National are expected to take \$200,000 more bonds together for the school fund. The banks abandoned the idea of getting one-year bonds to exchange later.

Bank Elections

William F. Olson, assistant cashier of the Union State Bank, has been made a director. At seventeen he became an employee of the Great Northern road. In 1906 he became clerk at the Union State, and is the only remaining officer or employee with the bank at the time.

Stockholders of the State Bank of Sherman, S. D., have made up the \$2,692 shortage of W. A. Aune, trusted bookkeeper.

John Aird, manager of the Winnipeg branch of the Canadian Bank of Commerce, has been made assistant general manager at Toronto.

Officers of various Northwestern banks have been elected as follows: First National of Vermillion, S. D.—President, D. M. Inman; vice-president, M. D. Thompson; assistant vice-president, E. M. Hart; cashier, Carl Anderson.

First National, Mora, Minn.—President, G. H. Newbert; vice-president, J. C. Pope; cashier, V. W. Peterson; directors, G. H. Newbert, J. C. Pope, F. A. Cutler, D. R. Eaton, R. M. Pope.

Breckenridge, Minn.—President, J. R. Kelly; cashier, S. E. Hall; assistant cashier, C. L. Spink; directors, G. W. Burrows, Thomas Chizek, S. E. Hall, J. R. Kelly, J. W. Kelly. Mr. Hall has been cashier of the State Bank of Foxhome. J. H. Ehlert and J. W. Ehlert were not re-elected president and assistant cashier respectively.

Albert Lee State, Minn.—Cashier, A. F. Wohlluter; with his father, H. G. Wohlluter of La Crosse, he was elected director.

The First National, Vermillion National, State Bank of Irene, First National of Centerville, have been named depositories for Clay county, S. D.

Officers and directors have been re-elected by the Farmers' & Merchants' State at Stillwater, a suburb of St. Paul. The officers are as follows: President, C. A. Patchin, Springfield; vice-president, John Q. Mackintosh; cashier, W. E. Dickson.

Editorial Comment

Spirit of Modern Banking

Recent failures have started a discussion of the relationship of large banks to the public.

A statement was made in New York after the collapse of Robin that small depositors were in a sense forced to take their business to bankers of his class because it was not desired at the larger concerns. One of the baits held out by the Cosmopolitan in Chicago before it went into the hands of a receiver was an offer to let people start checking accounts with \$25. This plan was based on the theory that a man of small means could not secure the advantages of banking facilities at the larger institutions. Prompt and emphatic denial has been given to all assertions of this kind.

Much misconception of the modern banking spirit prevails. Any person of good character is welcomed as a patron at the largest banks of Chicago and New York. Savings accounts may start with a dollar, and the young man or woman who goes to these banks with the merest trifle of a surplus saved from wages will not only get the benefit of banking facilities but will secure the friendly interest and advice of men of ability and high character who devote their time to this matter of stimulating the saving habit.

Nobody really wishes a checking account unless he has more than \$25 in cash or securities, but no limit is fixed actually by bankers generally respecting the size of a patron's account. It depends largely on the nature of a person's business or his standing among his acquaintances. The intention of the modern banker is to be helpful to customers, little as well as big. It stands to reason, however, that a person who has only \$25 with which to start an account should take his business to the savings department, where he will gain substantial interest.

No man is justified in taking his money to a bank of unknown standing. Least of all can he blame the large bankers for his move. It is the business of the modern banker to teach people to save and to help them to make good investments. All customers are treated courteously and receive the benefit of friendly interest as well as of experience and valuable facilities.

Inadequate Banking Laws

A lack of adequate banking legislation has been shown by several failures this winter. Reputable bankers everywhere are exasperated over developments which at first glance would seem to be impossible in this enlightened age. Our laws as they stand, or at least as they are enforced, do not give to depositors in banks of doubtful standing the protection to which they are entitled.

While the worst failures of recent days have happened in New York, no city or state is

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

exempt from similar occurrences. There is a laxity in the statutes and at times in the manner of their enforcement. This is true of New York and Illinois, which states contain the two largest cities of the country and would naturally be expected to lead in the development of a better banking system than we now have. There is a lack of consistency in financial legislation which operates against the best interests of the nation.

It ought to be impossible for persons without good commercial standing to start banks and there should be speedier and more drastic punishment for those who use the money of depositors in speculation or any kind of private enterprise. Is it not a clear duty of congress and the state legislatures to guard the public against irresponsible bank management? On this point our law-making bodies are strangely remiss, and the fact is more painfully apparent in the great states of New York and Illinois than in some of the young frontier commonwealths.

In the city of Chicago the members of the clearing house have developed a system which scrutinizes financial business in a way that serves to detect weakness or irregularity either in banks or borrowers. But there is no law in the state which prevents such a course of procedure as was witnessed in the case of the Cosmopolitan Bank and several other private concerns which have gone out of existence. What the clearing house committee does is in the right direction, but it has no power to prevent irresponsible persons starting banks and defrauding innocent patrons. The legislature has such power and it ought to be alert in applying it.

Incidentally the efforts of Chicago bankers to place their profession on a higher plane and make up in an unofficial way for shortcomings of the law are receiving strong commendation from Eastern newspapers as well as from the local public who get some benefit from the protective methods which have been inaugurated.

Delay in Financial Legislation

In the belief that the short session is not a good time for financial legislation congress is frittering away the winter without attempting to give shape to any of the great reform measures which are so urgently needed. With

singular fatuity the senate has given up most of its time since the first of December to the Lorimer case. The Lorimer investigation was carefully and thoroughly conducted by an able committee of senators and its report exonerating the Illinois leader should have been adopted, thus closing the incident.

Over and above all things else that this country expects of congress it needs financial and tariff legislation. It is reported this week that no tariff commission bill will be passed this winter, so that these two important subjects may be regarded as being sidetracked for the present.

The Aldrich Plan

Whatever one may think of the Aldrich plan, the plan of the National Monetary Commission, let it be said to its credit that it is fair, explicit and the result evidently of much investigation and thought. Every proper function of banking has been carefully weighed and what seemed best adopted. It shows progress, and the banker may acquire a liberal financial education by studying it and reading the reports of the specialists who contributed their talent to the subject. You will fail to find prejudice in it, or to see the Aldrich horns in it. Tell your congressman and senator just how you stand upon it and do it at once. The time is ripe to put an end to ambiguity and uncertainty.

Banking Legislation in Illinois

The attempt to place new banking legislation on the books in Illinois is serious. The Rapp bill, and one other to come, has, so it is said, solid democratic support and at one element in the republican ranks. It is bank guaranty on the plan recently upheld by the United States supreme court and admits national banks to its benefits as well as such private banks as will stand state supervision and inspection. It is too soon as yet to predict the action of the private banks which have been equal to every attempt upon their "liberties" for twenty years in Illinois. As the bill progresses it will have further attention. Most of the details of the Rapp bill are in this issue, in another column.

Start of the Postal Banks

With the opening of the federal government's postal banks in forty-eight states the experiment comes to a practical test. Public opinion so far has not greatly changed. The deposits are not large and it is doubtful if ever they will come up to the expectations of friends of the system.

It has been plain from the first that the postal banks would only attract those who have fear of banking institutions generally but who have faith in the government. People who have intelligence enough to post themselves as

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to the soundness of banks will not be disposed to accept the government's two per cent interest when the banks are paying three per cent.

So far as they operate, however, the tendency of the postal banks will be to bring into circulation money that otherwise would be hoarded. It is quite possible that they will hold in American trade channels a large aggregate of money that foreign-born workmen have been in the habit of sending abroad from year to year. In this way they ought to accomplish some good without hurting the savings banks of the United States.

Banking Opinion

In describing the general financial and trade situation as viewed in Chicago Vice-President Frank G. Nelson of Merchants Loan and Trust said to a representative of THE CHICAGO BANKER Wednesday:

The year just closed was a very satisfactory and profitable one for the banks. Funds were well employed during practically all of the year and excellent rates prevailed. The market for funds became weak about the middle of December and the new year so far has not shown any improvement. There is a distinct tendency to very low rates for the next few months. This condition, however, is not without its hopeful and better side.

There is no disguising the fact that trade conditions are slow and far from what merchants and manufacturers would like them, but this slackening up of business and the accumulation of money in the larger centers will soon bring on a very active bond market and event-

ually—possibly before the early summer, enable the railroads to sell some new securities and thus speedily bring about greatly improved conditions.

The business of the country follows very closely the fortunes of railroading. When the railroads are able to finance themselves and are not hampered to the point of petty and dangerous economy, they are sufficiently large purchasers of supplies of various kinds to make or unmake trade conditions in almost innumerable lines of business.

That the present easy financial condition will make a market for railroad securities is a very cheerful prospect, and its realization should go far toward making the last half of this year a very active and prosperous one for all industrial lines.

Increased activity in business will of course strengthen money rates and the bankers will not be without some participation in the prosperity that is to come in the late spring or early summer. The supreme court decisions that are due within the next few months, regardless of the nature of the decisions, cannot fail to help business along. Uncertainty and doubt are always stumbling blocks. While the immediate future will be one of lessened business activity, with a large supply of idle funds, it will in all probability be followed before the summer is here by a great revival in all lines. It is reasonable to hope that the last half of the year will give a good account of itself.

Woman to Run Postal Bank

The first manager of a postal savings bank in Oklahoma is a woman, Miss Margaret Ryan, postmistress at Guymon.

The postal savings bank was opened January 1st, according to schedule.

Logan Trust Heads Re-elected

At the annual meeting of the stockholders of the Logan Trust Company of Philadelphia the directors and officers were re-elected. They are as follows: Officers—Royland Comly, president; Hugh McIlvain, first vice-president; Walter H. Lippincott, second vice-president; William Bradway, treasurer. Directors—J. Gibson McIlvain, David L. Lukens, Charles M. Biddle, Frank H. Wood, Hugh McIlvain, Walter H. Lippincott, Charles A. Longstreth, Edmund Webster, Charles Major, E. Lawrence Fell, Rowland Comly, William Bradway, George M. Bunting, Walter Clothier, Alfred H. Lippincott.

Philadelphia Banks Declare Dividends

The Southwestern National, in addition to its regular semiannual dividend of 3 per cent added \$10,000 to surplus. That fund now aggregates \$150,000, undivided profits \$12,781.

The directors of the Columbia Avenue Trust Company declared a regular semiannual dividend of 4 per cent, payable on demand.

The directors of the Textile National declared a semiannual dividend of 3 per cent, an increase of $\frac{1}{2}$ per cent over the former $2\frac{1}{2}$ per cent rate. The dividend is payable January 15th to stock of record January 4th. Ten thousand dollars was added to surplus, making that account \$90,000.

Don't Hesitate

If there is a demand for a savings bank in your town and you have a good national or state bank behind you, don't hesitate. Of course it means paying interest on deposits but it probably will be a greater earner than your present bank. There are many instances to prove this. Besides some other fellow may do the trick.

After the Sentinel

Our warlike friend, up in Wisconsin, John Schuette of Manitowoc, goes after the Milwaukee Sentinel in his most graphic style, over its editorial on the supreme court decision upholding bank guaranty in Oklahoma, Kansas and Nebraska. Mr. Schuette writes to THE CHICAGO BANKER:—

The Sentinel, of Milwaukee, in its editorial under the caption, "Constitutional but Crazy," says, among other things:

(1.) "The decision of the national supreme court, sustaining the constitutionality of the Oklahoma bank deposit guaranty law, may be a feather in the cap of Mr. Bryan, but will be cold comfort for its few remaining friends."

Not at all! On the contrary, it is quite a warm comfort to millions, and especially to me. Only a few days ago I told the Free Press that a court decision finding the bank guaranty law unconstitutional would be a travesty on justice, and a farce. Now I am vindicated. And I am pleased for another reason. About a year ago, during a debate on this question, my opponent occupied his time citing court decisions against the guaranty law. Now that this powder is soaked, I would like to know what there is left to shoot with.

(2.) The Sentinel says: "Of course the court decision does not sustain the wisdom or merit of this crude attempt to prevent panics."

Let me remind the Sentinel that there was a time when our bank notes precipitated panics. After the government forced the banks to secure their notes we have had no more panics from that source. And we will have none from bank deposits after these are insured. Here is another proof that the insuring of deposits will prevent bank panics. The Wisconsin legislative committee, when seeking information on this subject, arrived at Oklahoma City on the very day the Columbia Bank and Trust Company suspended, and was taken in charge of by the banking board. Its doors were never closed, but the bank commissioner took charge and paid depositors as they appeared. The committee stayed there a week awaiting developments and this is what they say in their report to the governor:

"The closing of the bank caused no ruffle in the business world of Oklahoma City, the public was not excited, there was no run on any other bank, state or national. Depositors apparently had confidence that they would get their money. They acted in an orderly and well-behaved fashion. They drew their money out of the defunct bank and placed it in other banks. As a matter of fact, at the close of business on the day after the failure, the books of every other bank in the city showed an increase in deposits. While the lobby of the bank was quite well filled with depositors, there was no excitement or disorder and so far as the street was concerned, there was nothing to raise the suspicion on the part of any one that he was passing by a bank which had failed. No business interests in the city were disturbed, compromised or embarrassed in any manner."

What a contrast to the failure of a comparatively small national bank at Mineral Point, Wis., which failed about the same time. There it spread terror to the residents of Mineral Point and the surrounding country. The mother of the cashier fell dead from the shock, another person became insane, and the president was sent to prison. What great suffering it did create, and it still is in the agony of a receivership, and only a small percentage of the deposits, I believe, has been paid. Does this not prove that deposit insurance will prevent bank panics?

(3.) The Sentinel says that "the supreme court decision comes too late to do much, if any, practical harm." Yes, if it had come

earlier there might not have been a national bank left in Oklahoma. Ninety national banks had been converted into state banks, and others were preparing to surrender their national charters, or avail themselves of the state bank guaranty when they were stopped by the courts.

(4.) The Sentinel says that "sound and conservatively conducted banks resent the hardship of being compelled to put up money to offset the recklessness, or rascality, or incompetence, of the other kind of banks."

Let me remind the Sentinel that the Chicago clearing house, composed of sound, conservative banks, did just what the Sentinel says banks will not do. These banks, rather than allow the insolvent Walsh banks to close their doors, took over the assets of the Walsh banks and guaranteed the deposits. Who knows if this had not been done, whether a far-reaching and disastrous panic might not have been precipitated. This sacrifice will be a hardship to the few banks who took hold of the situation, while if it had been distributed among many, the effect would have been infinitesimal. This again proves the efficacy of mutual deposit insurance.

(5.) "Why should the conservative and scrupulous banker A be compelled to contribute to a fund whose effect is to establish the credit of unscrupulous banker B, and thus enable him to lure business with the baits of high interest, easy banking favors, etc.?"

This is the old worn out argument. Why do we insure against fire and other possible losses when we know that the premium we pay may go to pay for the rascality, recklessness, or misfortune of others? Would any one, because of this, rather be without insurance and risk his all?

(6.) The Sentinel makes it appear that the Oklahoma school of finance has been going down hill, is petering out, and says that "after the Columbia Bank and Trust Company failure the exodus of depositors from the state banks began."

Now the facts are just the contrary. Any one who keeps in touch with the Oklahoma financial affairs must admit that its banking laws are more stringent than in most other states, for the natural reason that every banker, being directly interested in safe banking, takes a more active interest in having them made so, than do bankers in most of our other states. For instance, to prevent reckless banking, the law gives power to the bank commissioner to refuse a charter to disreputable parties, also to limit the interest rate to be paid on deposits. It is but natural that under a deposit insurance system laws will be made more severe.

The first bank that failed under the guaranty law was not closed at all, but was operated by the bank commissioner, who paid depositors on demand, and all within ten days. Then it was said by some: Wait until a big bank fails. And as if to prove that this would also stand the test, the Columbia Bank and Trust Company, one of the largest banks, was found to be insolvent. The bank commissioner took charge of the bank, paid depositors, and collected in the usual way, as if nothing had happened. The entire liquidation expense did not amount to \$4,000. The same service, in the case of a national bank, would have cost \$150,000, being 5 per cent of the amount liquidated.

The Sentinel says that after the bank failed the exodus of depositors from the state banks began. Did it? Not at all. Just the contrary. The deposits in the state banks, from that time until January 1st, increased by \$5,000,000.

The state banks have drawn over one-third of the deposits from the national banks, and practically all the people regard the guaranty of deposits as a blessing.

St. Louis Bank Elections

One St. Louis bank gets a new president and two others get new cashiers as the result of elections of officers. All of the national banks of the city except one have held their annual stockholders' meetings and several state banks held meetings.

Changes in the directorates of the big banks were few. The most important was the election of August A. Busch as a director in the Third National, which increased its board to fifteen members. Mr. Busch went on the board of the Mississippi Valley Trust Company a year ago and resigned shortly after. The Third National is the only bank board of which he is now a member. His father, Adolphus Busch, is also a director in the Third National.

The Grand Avenue Bank elected George W. Clarkson as its new president. He succeeds E. E. Magill, who became president when F. A. Drew, the president, died a few months ago. Mr. Clarkson, 35 years old, is the youngest bank president in St. Louis. He was put on the bank's board three months ago, having removed to St. Louis from Arcadia, Mo.

The changes forecasted at the Boatmen's Bank came when the board promoted William H. Thomson from cashier to vice-president and E. M. Hubbard from assistant cashier to cashier and elected C. R. Laws second assistant cashier. Mr. Thomson has the longest service with the bank of any of its officers and his record has seldom been equaled among St. Louis banks. He was cashier forty-four years. Mr. Hubbard has been with the bank twenty-seven years. He was a discount clerk before being made an assistant cashier. The officers re-elected are: Edwards Whitaker, president; Murray Carleton, vice-president; Edgar L. Taylor, assistant cashier.

The State National Bank elected H. L. Stadler as cashier to succeed Logan Tompkins, who died. He has been with the bank twenty-six years, working up from messenger to teller, and five years ago to assistant cashier.

Jacob Berger was elected a vice-president of the Central National Bank. He came to the bank from the City National when the latter was absorbed by the Central National recently. He was not placed on the board, which remains unchanged.

W. L. McDonald, who has been a vice-president of the National Bank of Commerce since he left the Commonwealth Trust Company, was elected to its board to a place made vacant by the death of Benjamin Eiseman. This was the only change.

J. R. Cooke, an assistant cashier, was elected to the board of the Third National, along with August A. Busch. At the election of officers, which followed the stockholders' meeting, E. C. Stuart was made a new assistant cashier. He has been on the bank's staff about a year, having come from Washington, Mo., where he was cashier of the First National.

Citizens Bank, Alhambra (Cal.) will increase its capital from \$25,000 to \$75,000. After the increase in capital is perfected a branch will probably be opened in West Alhambra. A national charter has been applied for, and a site for a building has been secured at the corner of First and Main.

The South Bend National, the oldest banking institution in this city, has obtained a renewal of its charter, and is now entering on the forty-first year of its existence. The bank has paid out \$397,500 in dividends in forty years, and has \$115,000 in undivided profits, making the total net earnings \$512,500.

Thomas H. Brewer, vice-president of the Exchange National of Spokane and superintendent of the Sunday school of Westminster Congregational Church, presented \$161 to the Children's Home on Christmas as contributions by the pupils of the school.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Chicago Chapter

After a lull in activities occasioned by the holidays Chicago Chapter resumed operations January 10th with a smoker and entertainment. This feature brought out a goodly number of members who enjoyed the "smokes" and the numbers furnished by the committee.

Ex-President Brady reeled off a number of good jokes and a big boost for the chapter. Craig B. Hazlewood, now an officer of the Union Trust Company, gave a short testimonial on the wonderful results of institute activity, the key note of which was "Not more men in the chapter, but more men in the chapter work."

Henry Koefoot of the First National stirred up the crowd with a potpourri of rag-time selections on the piano. Louis Bock of the First National and Norman Rose of the Central Trust Company rendered a number of pleasing vocal solos. Both are possessors of very good voices and were well received.

Roy Weed, a German dialect comedian wound up the program with a bit of vaudeville which sent the boys home in the best of humor.

The debate society held a lively little session in the chapter rooms on the night of Tuesday, January 17th. The subject of debate was "Resolved, that the capitalization of state banks be graded according to the amount of deposits and location rather than by population as at present." Messrs. Ashley and Coleman of the Corn Exchange National and the Union Trust Company respectively presented the affirmative side of the proposition. They were opposed by Messrs. McNeil and Curto of the Glaser Savings Bank. The arguments put up by the debaters were splendid and showed considerable research and study. The judges were unable to give a decision, so well matched were the teams. Following the debate a lively half hour of parliamentary practice was indulged in which was at the same time uproariously humorous and instructive. The chapter possesses amongst its membership young parliamentarians who could easily put to shame some of the older and more experienced men of the parent association. It is in this respect, more so than in any other, that the debate society is an essential to a first-class bankman's "kit of tools." He will need it sooner or later and the experience is invaluable.

The annual banquet of the chapter will be held Saturday evening, January 28th, at 6 o'clock in the gold room of the Congress Hotel. We believe that the list of speakers is an ideal one. The Honorable Francis W. Walker will speak on "City Government." Mr. Walker is one of Chicago's most prominent attorneys. Back in the early 80s he was an assistant state's attorney, and as such prosecuted the Anarchists implicated in the Haymarket Square riot. He also assisted in the prosecution of the famous "boodle" cases of that time.

Chas. A. Alden will speak on "Modern Patriotism." Mr. Alden is assistant manager of the Western circulation office of the Ladies' Home Journal and Saturday Evening Post. He is an orator of eloquence and power, and his address is certain to be interesting. Speaking of Mr. Alden's ability as a speaker Elbert Hubbard says: "It is very seldom that one hears a speaker with the power, presence, and grace of Mr. Alden. He is eloquent, persuasive, bold yet kindly."

The third speaker is Francis T. Simmons, who will address the assemblage on "Chicago in the Abstract." Mr. Simmons is one of Chicago's foremost citizens. He is an ex-president of the Chicago Association of Commerce and at present a member of the executive board of that body. He is president of the Lincoln Park Board. His subject is a wide one and gives him plenty of latitude. His knowledge of Chicago is comprehensive, and his talk will be entertaining and instructive.

The Harmony Trio will amuse with songs, jokes, music and a little vaudeville.

A large representation is going to be present and an enjoyable evening will be spent. All communications regarding the banquet should be addressed to E. T. Gillmeister, secretary, care of the Western Trust and Savings Bank.

Bank Legislation at Springfield

Springfield, Ill., January 18.—Quite a stir has been apparent since it became known that banking legislation is to be attempted this session. Bank guaranty is first to bat and bank supervision over all forms of banking, not national, is to follow. The guaranty bill was introduced in the house yesterday by John M. Rapp of Fairfield.

The measure, which is almost identical with the law in operation in Oklahoma, provides for the establishment of a state banking board and the collection of an assessment of 1 per cent of average daily deposits upon all state banks and trust companies. The assessment is to form a guaranty fund.

When a bank under the act become insolvent and cannot pay all obligations, depositors are paid out of the guaranty fund, and if it is not large enough an extra assessment may be levied upon the solvent banks. Upon state banks and trust companies the bill is mandatory, while upon national banks and private banking institutions it is optional. The latter may come under the jurisdiction of the bank board on their own volition.

A digest of the provisions of the bill follows:

A state banking board, composed of the governor, state auditor and state treasurer, shall supervise and manage the depositors' guaranty fund.

The board shall levy an assessment against the capital stock of 1 per cent of the banks' average daily deposits, less deposits of federal and state funds, upon every bank and trust company organized under the laws of Illinois.

Assessments shall be collected upon call of the board.

If the fund becomes depleted, the board shall keep it up to 1 per cent of the total deposits by levying a special assessment.

Banks and trust companies hereafter organized other than through consolidations shall pay into the fund 3 per cent of the amount of their capital stock when they open for business, which shall constitute a credit fund.

Any national bank in Illinois approved by the state banking board may voluntarily come under the act and contribute to the fund.

If a federal guaranty act is passed the national banks may withdraw and get back 90 per cent of the unused assessments they have paid.

Any private bank may voluntarily come under the act by consenting to become subject to all the laws of the state with reference to

bank supervision and examination and by paying the 1 per cent assessment.

When any bank, trust company or private banking institution under the banking board becomes insolvent, or forfeits its charter, or whenever the state auditor shall become satisfied of the insolvency of any such bank or trust company, he may take possession and proceed to wind up affairs.

If the state auditor takes possession the depositors shall be paid in full.

The banking board shall issue certificates to all complying with the act, and such certificates shall be conspicuously displayed.

Insolvent banks may be reopened after reserves, credits and funds are repaired and after all advances from the guaranty fund have been repaid.

Tacoma Chapter

During the month of December the chapter Board of Governors met with the Advisory Board to try and solve the problem of bringing out more members at the regular meetings and especially to the lectures on economics. After giving the question an afternoon's threshing out it was decided that the regular meeting each month should be taken charge of by one of the banks and be known by that bank's name.

In accordance with the above plan the January meeting, held on the evening of the fifth, was designated as The Bank of California evening. S. M. Jackson, manager, was in charge.

After welcoming the assembled clerks, which very properly could be called a crowd, Mr. Jackson spoke on the subject of "Foreign Exchange." His remarks were instructive and highly interesting, showing much time had been given to the subject.

The chapter was most fortunate in having present Clinton A. Snowden, at one time proprietor of the Chicago Times. Mr. Snowden recently completed a history of the state of Washington consisting of several volumes, and is one of the foremost literary men in the state. He took as his topic "Success" deftly weaving fact and story into a discourse, the end of which came much too soon from the audience's point of view.

The negotiable instruments act was briefly discussed by attorney Walter Loveday, who made many points plain and awoke a desire on the part of the bank men present to become more conversant with this important act.

Tacoma chapter hopes to have both Mr. Snowden and Mr. Loveday present at some future time to again benefit by their personality and remarks.

Last on the program were a Burroughs and a mental addition contest, prizes for which were awarded by Mr. Jackson. In the Burroughs contest A. Willison finished first, time 3:33; A. Geiger, second, time, 3:39.

Mr. Boccheck, of the National Bank of Commerce, won first prize in the mental addition contest, time 1:31, while second place fell to C. A. Craft of the same bank.

The meeting as a whole was one of the best ever held by the local chapter and more of the same tone are hoped for.

The Commercial National, First National, German-American and the Bank of Wisconsin all re-elected their old officers and directors.

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The Aldrich Plan

Complete outline of a new banking system given out by Senator Aldrich before his enforced departure for a southern health resort. Not a central bank, but a comprehensive, detailed plan

Washington, D. C., January 17.—Senator Nelson W. Aldrich's long awaited "plan for the revision of the national banking legislation" was made public to-day. It does not contemplate the establishment of a central bank and it is so far from what many have expected Mr. Aldrich to propose that to those who have not been in his confidence it may come as a surprise.

The plan was submitted to the national monetary commission, but Senator Aldrich was not present. There was a suggestion almost of the tragic in the fact that when the hour came for the formal promulgation of what the senator is known to regard as the crowning constructive effort of his life, he was hundreds of miles away, speeding to the southland on a compulsory search for health. His communication was presented to the commission by the vice-chairman, Representative Vreeland of New York.

Opposed to Central Bank

Far from recommending the establishment of a central bank, Mr. Aldrich expressly disclaimed belief in it as calculated to meet the needs of the situation. In his letter of transmittal he says:

"While we have found much that is admirable in the operation of the various government banks of Europe, none of them is applicable to our needs here. The good results which they obtain can, I believe, be reached without the creation of such a central bank. I feel that the plan which is proposed reaches those results without being open to the objections which may well be brought against such an institution."

What Mr. Aldrich does propose is the establishment of the "Reserve Association of America," representing what might be called a federation of local associations formed by national banks. Those in the confidence of Mr. Aldrich drew special attention to the pains which they said he had taken to provide against control of the association by anybody. On this point he

Chief Provisions of Aldrich Reserve Association Plan

Local organizations of representatives of banks, formed by not fewer than ten banks, each bank holding stock in the association in proportion to its capital.

Directors elected by these to the board of "branch" associations, one branch for each of fifteen financial districts into which the United States would be divided. Each "branch" board would include a certain proportion of men not bankers, but representing industrial, agricultural, commercial and other interests.

"Branches" would elect the reserve association directors, forty-five in all, among whom must also be a proportion of men representing interests other than banks. There would be six ex officio members of this board—the secretary of the treasury, the secretary of commerce and labor, the comptroller of the currency and the governor and two deputy governors of the association.

The governor and deputy governor of the association would be appointed by the president of the United States and be removable by him for cause.

The association would be the principal fiscal agent and depository of the government and would fix from time to time the rate of exchange or discount. Eventually its notes would replace those of the national banks. Prime commercial paper, passing up from the banks through the local associations and branches, as well as bonds of the government, could be used as a basis for currency issue.

Two new classes of national banks or departments of banks, to receive savings and make loans on real estate and to be in effect national trust companies.

says that he believes the association, organized as he proposes, could not be "controlled by ambitious monetary interests or dominated by political influence."

To Meet Modern Demands

Mr. Aldrich prefaces his plan with an introduction in the course of which he says it has been his aim "to suggest changes in the national banking act which will make it responsive to the demands of modern business."

"If I am right in believing that the present

law has become obsolete—and of this there can be no doubt—there is, then, no room for argument in regard to the necessity for modernizing the law," he adds. "Assuming such to be the case, it must be our aim to accomplish this result with as little disarrangement as possible. It should be our aim to liberalize the present national banking act and to add to it such features as are deemed essential, rather than to formulate any plan which will fundamentally change our present system."

"In the light of our experience it is obvious that one of the principal needs is to find some method for the unification of our present banking institutions into one comprehensive system. In other countries we have found that reserves are concentrated and used freely in any direction where needed. Under our faulty system reserves are so scattered as to be unavailable in time of trouble for purposes of assistance or of defense."

Sees Two Requirements Met

"If we can so amend the present national banking act as to permit the formation of an association of all the banks of the country to meet these needs we shall have gone a long way toward solving the problem which is before us. If, then, in addition, we provide a more scientific basis for bank note circulation, so that the volume of circulation will be responsive to the needs of business, we shall, I believe, have met the two main requirements of a satisfactory solution. In addition to that, if we can aid in creating a discount market in this country similar to the discount markets in Europe, so that the most liquid portion of our bank funds will not of necessity be forced to such a large degree as at present into the making of call loans upon stock exchange collateral, but will instead be available for the needs of commercial business, we shall have so broadened our banking methods as to bring incalculable benefit to the commercial life of the country. I believe that the conclusions which I present herewith meet those conditions."

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To be Principal Fiscal Agent

It is proposed to charter the Reserve Association of America, which will be the principal fiscal agent of the government of the United States. The authorized capital of the reserve association shall be approximately \$300,000,000. The length of its charter shall be fifty years. The head office of the association shall be in Washington, D. C.

The country shall be divided into fifteen districts and a branch of the reserve association shall be in each district. The reserve association and its branches shall be exempt from state and local taxation, except in respect to taxes on real estate owned by them.

Only national banks of the classes provided may subscribe to the capital stock of the reserve association. A national bank having a minimum capital of at least \$25,000 may subscribe to an amount of capital stock of the reserve association equal to 25 per cent of the stock of the subscribing national bank, and not less, and each of such subscribing banks shall become a member of a local association. Fifty per cent of the subscriptions to the capital stock of the reserve association shall be called in cash; the balance of the subscriptions will remain a liability of the stockholders subject to call.

Stock Out of Private Hands

Shares of the capital stock of the reserve association will not be transferable and in no circumstances may they be owned by any corporation other than the subscribing national bank, or by any individual, nor may they be owned by any national bank in any other amount than in the proportion provided. If a national bank increases its capital after it once becomes a subscriber to the stock of the reserve association the national bank shall subscribe for an additional amount of the capital stock in the re-

serve association equal to 20 per cent of the national bank's increase of capital, paying therefor its then book value, but only one-half of this additional subscription will be called in cash. If a national bank which is a holder of the capital stock of the reserve association, decreases its capital, it shall surrender a proportionate amount of its holdings of the capital stock of the reserve association, or if a national bank goes into liquidation, it shall surrender all of its holdings of the capital stock of the reserve association. The capital of the reserve association so surrendered shall be canceled and the national bank thus shall receive in payment therefor a sum equal to the book value as shown on the balance sheet of the reserve association of the stock so surrendered.

For Distributing the Earnings

Earnings of the reserve association shall be distributed in the following manner: After the payment of all expenses and taxes the stockholders shall receive 4 per cent. Further earnings shall be divided, one-half to go to the surplus of the reserve association until that surplus shall amount to 20 per cent of the paid in capital; one-fourth to go to the government of the United States and one-fourth to the stockholders; but when the stockholders' dividends shall reach 5 per cent they shall receive no additional dividend distribution. After the stockholders receive 5 per cent the earnings shall be divided, one-half to be added to the surplus of the reserve association and one-half to go to the government. After the stockholders receive 5 per cent a year and the surplus of the reserve association amounts to 20 per cent of the paid in capital all excess earnings shall go to the government. The minimum dividends to the stockholders shall be cumulative.

To Form Local Associations

All subscribing banks shall be formed into associations of national banks, to be designated as local associations. Every local association shall be composed of not fewer than ten banks, and the combined capital and surplus of the members of each local association shall aggregate not less than \$5,000,000.

All the local associations shall be grouped into fifteen divisions, to be called districts. The territory in the local associations shall be apportioned so that every national bank will be within the boundaries of a local association. Every subscribing national bank shall become a member of the local association of the territory in which it is situated.

Provisions for Directors

Each local association shall elect annually a board of directors in the following manner: The number of the directors may be determined by the by-laws of the local associations. Three-fifths of that number shall be elected by ballot cast by the representatives of the banks that are members of the local association, each bank having one representative, and each representative one vote, without reference to the size of the bank. Two-fifths of the whole number of directors of the local association shall be elected by the same representatives of the several banks that are members of the association, but in voting for these additional directors each representative shall be entitled to as many votes as the bank which he represents holds shares in the reserve association. At such elections there shall be no proxies. The authorized representatives of a bank must be the president, the vice-president, or the cashier of the bank he represents.

Directors for Each Branch

As heretofore provided, all the local associa-



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tions shall be grouped into fifteen divisions, and each of these divisions shall be designated as a district. There shall be in each district a branch of the reserve association. Each of the fifteen branches of the reserve association shall have a board of directors and those directors shall be elected in the following manner:

The board of directors of each local association shall elect by ballot one member of the board of directors of the branch of the reserve association. In this manner there will be elected as many directors of the branch of the reserve association as there may be local associations in the district in which that branch of the reserve association is located. In addition to that number there shall be elected a number of the directors equal to two-thirds of the number of local associations in the district wherein the branch is situated. Such additional directors shall be elected in the following manner:

There shall be chosen by the banks composing each local association a voting representative or proxy holder. In choosing such voting representative each bank shall be entitled to as many votes as it holds shares in the reserve association. The voting representatives of the several local associations which form a district shall then meet at the office of the branch and elect an additional number of directors of the branch equal to two-thirds of the number elected directly by the local associations—that is, equal to two-thirds of the number of local associations composing the district. Each voting representative at such election shall have a number of votes equal to the number of shares in the reserve association held by all the banks composing the local association which he represents.

Business Interests Included

The first business of the board of the branch as thus constituted shall be to add to its numbers by the election of an additional number of directors equal to one-third the number of local associations situated in the district. Such additional directors shall fairly represent the industrial, commercial, agricultural, and other interests of the district and shall not be officers of banks. Directors of banks shall not be considered as officers. The manager of the branch shall be ex officio a member of the board of directors of the branch and shall be chairman of the board.

The board of directors of a branch of the reserve association will thus be composed of:

1. A group of directors equal in number to the number of local associations composing the district, and this group shall be elected by the directors of the local association, each director having one vote.

2. A group of directors equal to two-thirds of the foregoing group and elected by stock representation.

3. A group of directors equal in number to one-third of the first group, representing the industrial, commercial, agricultural, and other interests of the district and elected by the votes of the first two groups, each director thus voting having one vote.

4. The manager of a branch shall be ex

officio a member of the board of directors of the branch and shall be chairman of the board.

All the members of the board of directors of the branch, except the ex officio member, shall, at the first meeting of the board, be classified into three classes, and the terms of office of these three classes shall be respectively, one, two and three years. Thereafter members of the board shall be elected for a term of three years.

Forty-five Directors is Plan

The board of the reserve association shall consist of forty-five directors, and it shall be composed in the following manner:

1. Six ex officio members—the governor of the reserve association, who shall be chairman of the board; two deputy governors of the reserve association, the secretary of the treasury, and the secretary of commerce and labor and the comptroller of the currency.

2. Fifteen directors to be elected, one by the board of directors of each branch of the reserve association. They shall be elected by ballot, each member of the branch board having one vote.

3. Twelve directors who shall be elected by voting representatives, one representing the banks embraced in the district. Each voting representative shall cast a number of votes equal to the number of shares in the reserve association held by all the banks in the district which he represents.

4. The board as thus constituted shall select twelve additional members, who shall fairly represent the industrial, commercial, agricultural and other interests of the country and who shall not be officers of banks. Directors of banks shall not be considered as officers.

Three Years Directors' Term

At the first meeting of the board all except the ex officio members shall be classified into three classes and the terms of office of these three classes shall be respectively one, two and three years. Thereafter members of the board shall be elected for a term of three years.

No member of any national or state legislative body shall be a director of the reserve association or of any of the branches or of any local association.

The directors of the reserve association shall annually elect an executive committee and such other committees as the by-laws of the reserve association may provide. The executive committee shall consist of nine members, of which the governor of the reserve association shall be ex officio chairman and the two deputies and the comptroller of the currency, ex officio members. The executive committee shall have all the authority which is vested in the board of directors, except such as may be specifically delegated by the board to other committees or to the executive officers.

For Board of Supervision

There shall be a board of supervision elected by the board of directors among its number, of which the secretary of the treasury shall be ex officio chairman.

The executive officers of the reserve association shall consist of a governor, two deputy gov-

ernors, a secretary and such subordinate officers as may be provided by the by-laws. The governor and the deputy governors shall be selected by the president of the United States from a list submitted by the board of directors. The governor shall be subject to removal by the president of the United States for cause. The term of office of the deputies shall be seven years, but the two deputies first appointed shall be for terms of four and seven years respectively. In the absence of the governor or his inability to act, the deputy who is senior in point of service shall act as governor.

Each branch shall have a manager and a deputy manager. They shall be appointed by the governor of the reserve association, with the approval of the executive committee. The powers and duties of the manager and deputy manager and of the various committees of the branches shall be prescribed by the by-laws of the reserve association.

To Guarantee Paper at Home

Any member of a local association may apply to that local association for a guaranty of the commercial paper which it desires to re-discount at the branch of the reserve association in its district. Any such bank receiving a guaranty from a local association shall pay a commission to the local association, to be fixed from time to time by the board of directors of that local association. The guaranty of the members of the local association, in the event of loss, shall be met by the members of the local association in proportion to the ratio which their capital and surplus bears to the aggregate capital and surplus of the local association, and the commission received for such guaranty, after the payment of losses and expenses, shall be distributed among the banks of the local association in the same proportion. A local association shall have authority to require additional security from any bank offering paper for guaranty, or may decline to grant the application.

The total amount of guaranties by a local association to the reserve association shall not at any time exceed the aggregate capital and surplus of the banks forming the guaranteeing association.

Privileges, for All Banks

All of the privileges and advantages of the reserve association shall be equitably extended to every national bank of any of the classes herein defined who shall subscribe to its proportions of the stock of the reserve association and shall otherwise conform to the requirements of this act.

The government of the United States and those national banks owning stock in the reserve association shall be the sole depositors in the reserve association. All domestic transactions of the reserve association shall be confined to the government and the subscribing banks, with the exception of the purchase or sale of government or state securities or securities of foreign countries, or of gold coin or bullion.

Government to Deposit Funds

The government of the United States shall deposit its cash balance with the reserve asso-



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H. T. SIBLEY, Manager Investment Department		

RESOURCES OVER FIVE MILLION DOLLARS.



ciation and thereafter all receipts of the government shall be deposited with the reserve association, or, when necessary, with such national banks as the government may designate for that purpose in cities where there is no branch of the reserve association. All disbursements by the government shall be made through the reserve association.

The reserve association shall pay no interest on deposits.

The reserve may rediscount notes and bills of exchange arising out of commercial transactions, for and with the indorsement of any bank having deposit with it. Such notes and bills must have a maturity of not more than twenty-eight days and must have been made at least thirty days prior to the rate of rediscount. The amount so rediscounted shall in no case exceed the capital of the bank applying for the rediscount. The aggregate of such notes and bills bearing the signature or indorsement of any one person, company, corporation or firm, rediscounted for any one bank, shall at no time exceed 10 per cent of the capital and surplus of said bank.

The reserve association may also rediscount for any depositing bank notes and bills of exchange arising out of commercial transactions having more than twenty-eight days but not exceeding four months to run, but in such cases the paper must be guaranteed by the local association of which the bank asking for the rediscount is a member.

Rules for Assisting Banks

Whenever, in the opinion of the governor of the reserve association, the public interests so require, such opinion to be concurred in by the executive committee of the reserve association and to have the definite approval of the secretary of the treasury, the reserve association may discount the direct obligation of a depositing bank, indorsed by its local association, provided that the indorsement of the local association shall be fully secured by the pledge and deposit with it of satisfactory securities, which shall be held by the local association for account of the reserve association; but in no such case shall the amount loaned by the reserve association exceed two-thirds of the actual value of the securities so pledged.

The rate of discount of the reserve association, which shall be uniform throughout the United States, shall be fixed from time to time by the executive committee and duly published.

May Purchase Acceptances

Whenever its own condition and the general financial conditions warrant such investment the reserve association may purchase to a limited amount from a depositing bank acceptances of banks or houses of unquestioned financial responsibility. Such acceptances must arise from commercial transactions and have a maturity not exceeding ninety days, and

must be of a character generally known in the market as prime bills. Such acceptances shall also bear the indorsement of the depositing bank selling the same, which indorsement must be other than that of the acceptor.

The reserve association may invest in United States bonds and in short term obligations—that is, obligations having not more than one year to run—of the United States, or of any state, or of certain foreign governments to be named in the act.

The reserve association shall have power at home and abroad to deal in gold coin or bullion, to grant loans thereon and to contract for loans of gold coin or bullion, giving, when necessary, acceptable security for their repayment.

The reserve association shall have power to purchase from its depositors and to sell, with or without its indorsement, checks or bills of exchange payable in England, France or Germany, and in such other foreign countries as the board of the reserve association may decide. These bills of exchange must arise from commercial transactions and be of a maturity not exceeding ninety days and shall bear the signatures of at least three responsible parties, of which the last one shall be that of a depositing bank.

May Open its Accounts Abroad

The reserve association shall have power to open and maintain banking accounts in foreign countries and to establish agencies in foreign countries for the purpose of purchasing, selling and collecting foreign bills of exchange, and it shall have authority to buy and sell, through such agencies, prime foreign bills of exchange arising from commercial transactions, running for a period not exceeding ninety days and bearing the signatures of two or more responsible parties.

Clause for Transferring Accounts

It shall be the duty of the reserve association or any of its branches, upon request, to transfer any part of the deposit balance of any national bank having an account with it to the credit of any other bank having an account with the reserve association. If a deposit balance is transferred from the books of one branch of the reserve association to the books of another branch, it may be done by mail or telegraph upon terms to be fixed from time to time by the executive committee.

In addition to the rights now conferred by law, national banks shall be authorized to accept commercial paper drawn upon them having not more than ninety days to run, properly secured and arising out of commercial transactions. The amount of such acceptances shall not exceed one-half the capital and surplus of the accepting bank.

National banks shall not have authority to establish branches except in the cities or towns in which they are situated.

The organization of banks to conduct business

in foreign countries shall be authorized. The stock of such banks may be held by national banks. The bank so organized may have an office in the United States, but shall not compete with national banks for domestic business not necessarily related to the business being done in foreign countries.

New Classes of National Banks

There shall be established a new class of national banks, to be known by a specifically designated name. Such banks may have savings departments and may make properly secured loans on real estate, such loans to be restricted to a certain proportion of the aggregate time and savings deposits in the bank. The reserve requirement in such banks will be less against savings and time deposits than against demand deposits.

Another class of national banks shall be authorized, which shall be in effect national trust companies, to be designated by some appropriate name, and to exercise all the functions and have all the privileges, including length of charter, which are given to trust companies by the laws of the various states. These national institutions shall be subject, like other national banks, to inspection and examination by the national government.

There shall be no change in the percentage of reserve required by law to be held against demand deposits by national banks, except as otherwise provided herein, but the deposit balance of any national bank in the reserve association shall be counted as a part of its legal reserve.

For Report Once a Week

The reserve association shall make a report showing the principal items of its balance sheet to the comptroller of the currency once a week. These reports shall be made public. In addition, full reports shall be made to the comptroller of the currency coincident with the five reports demanded every year from the national banks.

All reports of national bank examiners in regard to the condition of national banks shall hereafter be made in duplicate, and one copy shall be filed with the reserve association for the confidential use of its executive officers.

National banks of all classes shall make a weekly report to the comptroller of the currency showing the principal items of their balance sheets, such reports to be available for the use of the executive officers of the reserve association.

Bank Notes to be Abolished

There is to be no further issue, beyond the amount outstanding, of bank notes by national banks. National banks, may, if they choose, maintain their present note issue, but whenever a bank retires the whole or any part of its existing issue it will permanently surrender its right to reissue the notes so retired.

For a period of one year the reserve associa-

tion must offer to purchase at a price not less than par and accrued interest the 2 per cent bonds now held by national banks and deposited to secure their circulating notes. The reserve association shall take over these bonds with the existing currency privilege attached and assume responsibility for the redemption, upon presentation, of outstanding notes secured thereby. The reserve association shall issue, on the terms herein provided, its own notes as fast as the outstanding notes secured by such bonds so held shall be presented for redemption, it being the policy of the United States to retire as rapidly as possible, consistent with the public interests, bond secured circulation, and to substitute therefor notes of the reserve association of a character and secured and redeemed in the manner provided in this act.

To Hold Bonds Ten Years

The reserve association agrees to hold for a period of not less than ten years the bonds so purchased, or any government security which may be exchanged for them by refunding or otherwise. The reserve association, however, shall have the right with the approval of the secretary of the treasury, after two years to dispose annually of \$50,000,000 of the bonds, held by it to secure circulation. The government reserves the right at all times to purchase at par from the reserve association, through the trustees of the postal savings bank or otherwise, any or all of such bonds.

If the government should adopt the policy of issuing securities at a higher rate of interest than 2 per cent, the reserve association shall have the right to exchange at par the government bonds which it may have acquired from the national banks, previously held by them to secure circulation, for any bonds bearing interest at a rate not exceeding 3 per cent, but in that event the amount of annual taxes to be paid on the notes based upon such new securities shall be as much greater as the interest rate of the new securities shall exceed 2 per cent.

To illustrate: If the government should decide to issue a $2\frac{1}{2}$ per cent bond the rate of taxation on currency issued by the reserve association thereon would be 1 per cent, instead of one-half of 1 per cent, as on the existing 2's, and upon a 3 per cent bond the rate of taxation would be $1\frac{1}{2}$ per cent.

Circulating Notes are Proposed

In addition to the authority to issue notes to replace any national bank notes outstanding at the time of the organization of the reserve association it shall have the right to issue additional circulating notes as follows: The whole or any part of the first \$100,000,000 of such additional notes shall pay to the government an annual tax of 3 per cent; above \$100,000,000 and not more than \$200,000,000 may be issued at an annual tax of 4 per cent; above \$200,000,000 and not more than \$300,000,000 may be issued at an annual tax of 5 per cent; all above \$300,000,000 shall pay an annual tax of 6 per cent.

All note issues of the reserve association must be covered to the extent of at least one-third by gold or other lawful money, and the remaining portion by bonds of the United States or bankable commercial paper as herein defined, or both. It should be provided either that the reserve association may also hold in its reserve foreign coin, or that the treasury will issue gold certificates against foreign coin. The notes are to constitute a first lien upon all the assets of the reserve association and adequate provision must be made for their immediate redemption in lawful money on presentation at the head office of the reserve association or any of its branches.

The notes of the reserve association shall be received at par in payment of all taxes, excises and other dues to the United States, and for

all salaries and other debts and demands owing by the United States to individuals, corporations or associations, except obligations of the government which are by their terms specifically payable in gold, and for all debts due from or by one national bank to another and for all obligations due to a national bank.

The reserve association shall at once, upon application and without charge for transportation, forward its circulating notes to any depositing bank against its credit balance.

Juggling Funds

Facts showing the juggling of insurance funds have been brought out in testimony of W. H. Gregory, former president of Citizens' National Life of Kentucky, whose evidence was heard in receivership proceedings at Louisville.

Under his regime, he admitted, the company had approximately \$400,000 invested in the favored banks bringing the company only 2 per cent annually.

Mr. Gregory was asked if an insurance company could afford to do business deriving so little interest on its deposits. He replied:

"Well, it's the custom, you know, for banks to carry deposits along at 2 per cent until the money is invested at a higher rate of interest."

It was testified by Mr. Gregory that L. W. Key, the treasurer of the Citizens' National, at the end of each year, forwarded certain amounts—usually about \$10,000—to banks at Mayfield, Greenville, Harrodsburg and Maysville, with which L. W. Key, J. W. Lam, George Bohon and C. D. Pearce were respectively connected. In some instances these banks forwarded to each other the amounts which had been deposited with them by Mr. Key for the Citizens' National, and the total amounts showed on the financial statements of each of the banks which interchanged the deposits.

Mr. Key's bank at Mayfield handled \$2,000,-

000 or \$3,000,000 for the company, he said. This bank is capitalized at \$50,000.

Mr. Gregory said that for the first three years during which Mr. Key's bank at Mayfield did not pay interest, the Citizens' Life had on deposit about \$100,000.

Another important thing brought out in Mr. Gregory's testimony was his statement that L. W. Key, treasurer of the insurance company, postmaster of Mayfield, Ky., president of the Farmers' National, Mayfield, also connected with a lumber company and president of the Mayfield Water and Light Company, had approached him to ask if he would assist in acquiring control of the Mayfield Water and Light Company. Gregory says Key told him that Charles D. Pearce, vice-president of the Citizens' National Life, was also interested in the deal to secure control of the Mayfield corporation.

"Where did these men expect to get the money to obtain control of this plant?" Mr. Gregory was asked.

"I don't know; they asked for \$25,000 from the Citizens' Life Insurance Company, but this sum was reduced to \$20,000."

Few Official Changes at New York

There were no changes in the officers of the nationals in New York, at this week's elections.

George B. Case, Howard W. Maxwell, and Charles W. Reicks have been elected directors of the Liberty National Bank to succeed J. R. Maxwell, deceased, and George F. Baker and Frederick G. Bourne, who are retiring from some of their activities. Other directors were re-elected.

At the annual meeting of the Century Bank the election of Joel Rathbone, vice-president of the National Surety Company, as a director in place of A. H. Dayton, resigned, was confirmed by the stockholders. Other directors were re-elected. Officers were re-elected with the exception of Mr. Dayton, who retired as vice-president.

Stanley Field, of Marshall Field & Company, Chicago, and Everett Alan, vice-president of the bank, have been elected directors of the Mechanics' & Metals' National Bank, to fill vacancies caused by deaths.

W. F. P. Hoffman and T. F. Victor have been elected directors to succeed H. A. C. Taylor and a deceased director.

At the annual meeting of the Chatham National Bank Frank S. Witherbee and Horace E. Andrews were added to the board.

The Lincoln National Bank has elected W. A. Simonson, vice-president of the National City Bank, to succeed C. C. Clarke, as a director, and E. L. Rossiter to succeed his father, E. V. W. Rossiter, both deceased. Other directors were re-elected.

Irving National Exchange Bank, Importers & Traders National Bank, Fifth National Bank, Market & Fulton National Bank, Galatin National Bank, National Reserve Bank, First National Bank, National City Bank, and Merchants National Bank re-elected their old boards.

Banking Officers at Kansas City

A new president and vice-president of the Mercantile, a new cashier of the New England National, and a new vice-president for the National Reserve are the results of annual directors' meetings of the Kansas City banks on Tuesday and Wednesday. P. G. Walton was elected cashier of the New England National, and George H. Edwards was elected president of the Mercantile. John C. Knorp is the new vice-president of the National Reserve; H. L. Jarboe is the new president of the Drovers National, and Charles E. Waite is the new vice-president and cashier. Mrs. Minnie G. Trickey was re-elected president of the Commercial State Bank at Rosedale.



Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequaled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

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W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

**The Old National Bank
OF SPOKANE**

THE MONROE NATIONAL BANK OF CHICAGO

Madison and La Salle Streets

UNITED STATES DEPOSITARY

Report of Condition at Close of Business, Saturday, January 7, 1911

RESOURCES

Loans and Discounts	\$1,078,963.17
Bonds and Securities	266,900.00
Overdrafts	120.13
U. S. Bonds to Secure Circulation	282,000.00
Premium on U. S. Bonds	2,500.00
Bonds to Secure U. S. Deposits	1,000.00
Cash and Due from Banks	640,486.01

\$2,271,969.31

LIABILITIES

Capital Stock	\$ 300,000.00
Surplus and Undivided Profits	65,714.04
Reserved for Interest and Taxes	1,000.00
Circulation	280,400.00
U. S. Bond Account	100,000.00
Dividends Unpaid	40.00
Deposits	1,524,815.27

\$2,271,969.31

OFFICERS

EDWIN F. BROWN, President

T. C. NEAL, Vice-President

MATTHEW A. BERG, Jr., Asst. Cashier

L. C. WOODWORTH, Cashier

R. H. LEE, Asst. Cashier

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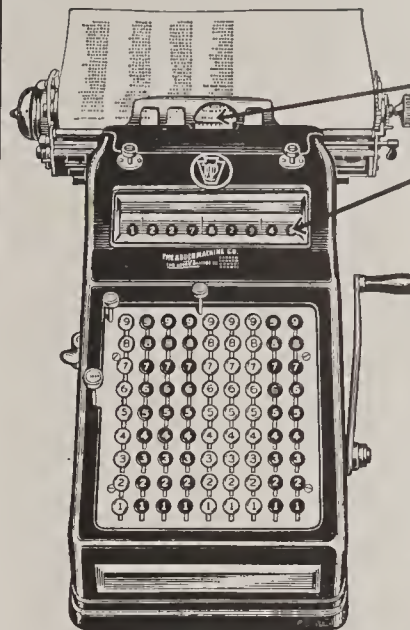
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Some of these features are the Self-Correcting Keyboard—that corrects automatically when the right key is pressed—and the Non-add key that adds without printing.

It is the only machine that is perfectly visible at every operation, showing totals and printing, in the same field of vision.

A glance gives you the number as it prints and the total up to that point. In construction the WALES is superior to all others.

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The WALES is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee when the WALES gives you five times more protection? Ask about our 30-day free trial. Mail the coupon for descriptive literature.

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

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Please send me booklet describing in detail the construction and features of the WALES Visible.

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McLane Tilton's Report

Popular and eloquent Secretary of Alabama bankers reports to the convention at Montgomery, but refrains from repeating detail

During six years service my reports as secretary have covered so fully the several departments of association activity that there is no need to again go into detail.

The insurance department continues to give perfect satisfaction. The policies of the Ocean Accident and Guarantee Corporation and the American Surety Co. keep ahead of the times with many new and exclusive features that other companies have thus far declined to permit. We have never aimed to make this a great revenue producer, preferring to co-operate with local agents and to use our efforts toward fairer policy forms and lower premium charges. The difference in rates to-day and when the department first began work, on a most conservative estimate, brings about a saving of \$6,000.00 per annum to the banks of Alabama. Members should keep in mind, however, that to hold the advantages gained the two companies responsible for extending them must be patronized to the point warranting the present very agreeable arrangement.

Receipts from insurance are less than last year because the report includes only seven months' business while the volume for the last five months yet to follow is always the largest. By May the net income will show a considerable gain over 1909.

The lock cleaning contract with the Yale & Towne Manufacturing Co. produces no revenue, the reduction in price going to the bank direct. The service is far superior to the way the item was handled in the old days.

The cipher code is in the possession of each member but has not yet come into general use to the point desired.

We keep in stock the three forms of notes prepared by counsel and calls for these forms have steadily grown in number. Everyone admits that they are an improvement over the style of notes that are still handed out by the country printer.

Owing to the fact that the convention was suddenly moved up from May to January, no group meetings were held this year. Group meetings must not be discontinued as every secretary is ready to testify that they have been the cause of much greater efficiency in association work.

Alabama is fortunate in being free of safe blowers and dangerous bank criminals. My mail is filled with warnings sent out by other secretaries against the genial flimflammer and with rewards for the apprehension of yeggmen. The blowing of safes is an everyday occurrence in western states but since I have had the honor of being your secretary not a single

crime of this sort has occurred within our borders.

Upon examination of the character of flimflam games reported by other secretaries I have observed that over 90 per cent are of a nature that could have been avoided with due caution on the part of the victimized institutions. We should keep constantly in mind that the more plausible the story, the more likely the fraud. Identification with local endorsement, else the item entered for collection only seem to be popular with our members. Let us continue these plain business precautions so as to encourage crooks to turn elsewhere to ply their trade with bankers more credulous and easy going.

On the other hand, because we have been secure in this manner is no reason why we should not anticipate possible trouble in the future and guard against it. I favor the establishment of a protective department with a secret committee named by the president. There are good detective agencies in the state that would be glad to make a contract with the association. This matter is one that the incoming executive council should take up upon a resolution conferring power to act.

Membership now stands at 237, the largest in our history and an increase of 6 over last year.

J. S. & W. S. KUHN

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There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

This shows the interest being taken in our work and is especially gratifying because the moving up of the convention gave me less time to send out the usual number and variety of duns for dues and because this same fact prevented holding any group meetings this year. Some banks continue outrageously slow in remitting dues and others appear to have a firm grasp on the waste paper basket habit. The voice of the association is the voice of practically the entire banking capital of the state as not less than 95 per cent of this capital is represented on the roll.

The deficit reported last year, due to extraordinary expenses not likely to recur, has been largely made up. The present small shortage is due my bank. In another year we should again show a credit balance from dues as now fixed and other routine receipts. Many associations boast of large unused surpluses, but I do not see the need of our being a money making organization. More properly a bankers' association should concern itself exclusively with the purposes stated in its constitution and to accomplish this no great amount of income or accumulated cash is necessary.

I wish to hold myself responsible for moving the convention up from May to January. Many advantages occurred to me in this connection that were readily recognized by the executive council and the Montgomery Clearing House which so kindly consented to the change. Not the least of these was the assistance the meeting would be towards the successful passage of the bank bill to be reported by the committee on legislation. Very happily the gum shoe and dark lantern methods of legislation now belong to ancient history. Heretofore bills labeled "banker" have had suspicion attached to them from the moment they were presented to the capital. As Mr. Woodrow Wilson pointed out in his remarkable Denver speech, the bankers have no one but themselves to thank for this condition.

People keep silent and fear to speak only when they are undertaking something wrong. The bill that cannot stand the light of "nitiless publicity" does not deserve to pass. We have been coming to Montgomery on tip toe, finger at the lip and "hush" the slogan. What was the result? Conservative bankers were not invited to put their shoulders to the wheel, the opponents of our measures came here without invitations, public sentiment was allowed to slumber at the switch. Unwise compromise or degrading defeat has been our portion.

None of us can blame past legislatures for believing that bankers were divided on safe and sane regulation and supervision. How were they to know otherwise? But even at that we accomplished something since 1905 and each step has been taken with the hope of reaching the vantage point we occupy to-day. This is the passage of the bill to be submitted to the convention by the committee on legislation. It has been examined by every banker in Alabama and by bankers and financial authorities in other states. It has been received with a chorus of praise everywhere. It has been called the best bank bill ever struck off in

America not even excepting the national bank act. Our meeting here has been termed a "revival" by one leading bank publication which went so far as to urge every progressive banker in the middle west to come to Montgomery and see how we did it, respond with hearty amens and return home determined to profit by our wholesome example.

The association owes its everlasting thanks

Talk No. 52



The Cashier Says:—

"We find that our depositors appreciate the neat monthly statements of account which we send out to them once a month.

Mrs. Brown, wife of one of our Directors, and her daughter were in the other day and she enquired how it was possible for us to send a 'typewritten' statement to each one of our depositors.

After explaining that the statement was not made on a typewriter, but was handled by an entirely different machine, I had her come back to my office and explained in detail just how the statements are made out on the **Burroughs Statement Machine**.

Yes, the saving in time amounts to considerable. One man with the Burroughs machine handles in one day the same volume of work which formerly occupied two of our best men about forty hours.

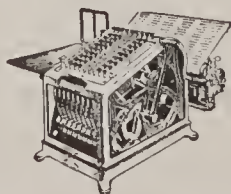
You see the month, date and amount are all registered by the machine in one operation, and when the statement is concluded the simple pressing of the total key and operation of the handle gives the total.

The Burroughs Company will furnish you with fac-simile forms showing actual work done on this machine. Just address the Burroughs Adding Machine Company at Detroit, Michigan, and say you are interested in the Monthly Statement Machine."

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to the committee on legislation and especially to its chairman, Mr. W. H. Manly. It is doubtful if another banker of equal ability in the state could have been found to devote his time and talents to this important duty, with the prodigious amount of detail, voluminous correspondence and thoughtful study required. Mr. Manly has labored hard and steadily with that intensity of purpose, intelligence and loyalty for which trinity of traits he is so highly esteemed by his wide circles of friends.

The legislature now assembled in this historic city is wise and patriotic enough to see that no selfish motive or unsound financial policy has produced this measure. It does no injustice to any well managed bank, big or little, state or national. It aims only to protect the public, to make deposits of money in Alabama banks as safe as in any other commonwealth on earth. Banking in Alabama has reached the stage when it can no longer be conducted to suit the whims or peculiar local conditions of each individual banker. It must be conducted in the manner assuring the greatest security to the people whose deposits are entrusted to our keeping. This means a sane system, efficiently supervised, such as every banker can live up to with a fair profit if he will. This object we believe will be accomplished when our bill has been enacted in law.

In conclusion I beg to remind you that a year ago I accepted re-election under protest. As I then stated I preferred to quit the job before you fellows felt the job ought to quit me. The sentiment expressed at our last convention I still hold. As a high private in the rear rank I would be glad to continue my work for the common good in the hope that by this course my deep appreciation of your many kindnesses will be understood by you and liquidated by me.

At Springfield

The invitation from Springfield presented by Mr. Keys and others to the executive council of the Illinois Bankers Association was so pressing, so generally participated in by all the organizations of that city, that it was at once decided to go there for the next state convention. October was the date set so that the new hotel will be finished. Springfield can care for the convention nicely. It was there the group system reform was carried and perhaps it may be there that the revised constitution shall be adopted.

Burnham & Co. Open in New York

New York, January 18.—John Burnham & Co., 31 Nassau Street, announce that they have increased the facilities of their New York office for the prompt and efficient handling of local bank, trust company, realty and insurance stocks, and are prepared to buy or sell the above on quick notice. Allen Broomhall is manager of the bank stock department. This is the well known John Burnham & Co., of Chicago.

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CAPITAL \$1,000,000.00

SURPLUS \$250,000.00

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CHICAGO, ILL.

St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

Edward Buder, treasurer of the Mercantile Trust Company, believes the present plente of funds and easy money market are likely to last for some time. Speaking of the general monetary outlook, Mr. Buder said: "Needs in this locality for the moment do not seem to be very urgent, and the average throughout the country is about as represented here. There is nothing I can see in the immediate future which will stimulate borrowers in a sufficient degree to cause any feverish activity in the money market. I am by no means pessimistic, rather the contrary, for basic conditions are extremely healthy. They could not be otherwise with our big crops and general growth of all kinds, along normal lines, of last year, but things now will seek what might be called a routine level, and there pursue their course placidly. In my opinion the key to the situation is the railroads. As things are with them, so will it be with general business activities. If concessions are granted by the Interstate Commerce Commission in the way of slight rate increases, the roads will take on new life. They have been extremely backward in the matter of expenditures other than necessary. Simply let them loosen up and get in the market for new equipment and supplies, and that activity will be reflected, like a light in all other leading lines of commerce. Leading systems have had to meet increased wage payments to employees, without corresponding gains in revenues. True their tonnage has been heavy, but tonnage must be moved at a profit if betterments are to be made. Indications for St. Louis are that this year will be a prosperous one. I do not look for anything extraordinary in the way of abnormal growth or new enterprises, but along conservative lines there will doubtless be good progress. This is a dull season for the banks, still as far as I can learn, our leading financial institutions are easily earning their dividends and still putting a little aside."

Deposit Guaranty Proposition

Throughout Southwestern banking circles the chief topic is the bank deposit guaranty proposition. The meeting of legislatures in Oklahoma, Texas, Arkansas and Kansas, coupled with the recent decision of the United States Supreme Court have served to stimulate interest in this important factor. Advices from Oklahoma City state that Messrs. Fuller, Acton and Cox are authors of a new state banking act, which proposes material changes to the bank guaranty law of the first and second legislatures, and in part meets the wishes of some of the bankers. The board is cut to three members, the governor and two of different political faith, to be named by him, who must show at least five years practical banking experience. Each bank is required to pay an annual assessment of one-twentieth of 1 per cent, based on their average daily deposits for the past year, which goes to the guaranty fund, until the total fund equals 5 per cent of the aggregate deposits of all guaranteed banks. In case the fund is wiped out an assessment of 1 per cent is made, and in case there is not enough money to pay depositors in a failure the state banking board is to issue 4 per cent deficiency certificates. Should a failed bank be able to pay all liabilities in four months it may reopen for business, otherwise it must be completely liquidated, and if voluntary liquidation is assumed, 80 per cent of the money paid to the state guaranty fund is returned, the remaining 20 per cent being diverted to the state treasury.

Searching for the Light

The above act is one of many, which represent the groping of blind persons for the light. Hardly a legislator in Oklahoma but who believes he can frame an act for regulating banking affairs. All are willing to take a whack at it anyhow, and see how their theories will work out. They may get the light in time, but it may be from a conflagration. Meantime the

bankers are subject to experiment and bungle; the conservative must pay the losses of the reckless and dishonest and the premium on individual carefulness is in the declining scale.

National Bank of Commerce

The feature in the local stock market this week was the sharp recovery in National Bank of Commerce shares. The recent decline in this stock carried the price down to \$200, the lowest level touched in many years. At that mark, however, the liquidation seems to have spent itself, and within less than ten days the price has worked back to \$209.50. The sharp break gave rise to a rumor that the institution contemplated a further dividend reduction, but this was officially denied. An officer of the bank stated that the 12 per cent rate will be permanent, and if any change is made at all it will be an increase. Besides the capital of \$10,000,000 the National Bank of Commerce has a surplus and profits of approximately \$8,500,000, and its earnings last year were well in excess of the dividend. The last statement shows deposits \$62,233,739, and loans and discounts \$48,095,313. The report indicated that deposits have increased \$4,093,954 since November, 1910. The total resources are \$89,483,760.

Texas Bankers are Paternal

The Texas Bankers Association is continuing its policy to take an interest paternal in things general within the borders of its state. The latest accomplishment along this line was the awarding of substantial prizes to winners in the contest of boys' corn clubs. The prizes included five gold medals, a scholarship at the Agricultural College and cash donations. The object of the Bankers Association is to encourage country boys to a greater taste for farm life, and improve farming methods. The wealth of the state, it is believed, can be greatly increased by the introduction of intelligent methods of agriculture.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00

Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

**Largest Bank in Clinton
County**

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877. As a National Bank, 1887
33 years of continuous, conservative and successful banking

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GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agent for National Banks

Cutter, May & Company

INVESTMENT

BONDS

The Rookery

CHICAGO

Telephone, Harrison 7660

Des Moines, January 18.—Iowa bankers are well pleased with the banking committees in the senate of the Iowa legislature as named by Lieut. Governor George W. Clarke. The house committee has not been named at this writing. Senator Hunter of Sioux City is chairman of the senate committee. He is an attorney. His associate members are Senators Mattes, Savage, Fitchpatrick, Proudfoot, Hoyt, W. S. Allen, McColl, Cowles, McManus, DeWolf, Quigley, Balluff, Schrup. Of these Savage and Hoyt are active bankers. For the most part the remainder are attorneys. If the bill for revising the statute taxing moneys and credits is submitted to this committee, it will be well taken care of. The bill was introduced this week by Senator Gilliland and there is as much interest in the measure as any that will be handed in at the present session.

Deposits Increase One Million

Deposits in the National banks of Des Moines increased over a million dollars between the call of the comptroller for November 10th and that for January 7th. The total at the January call was \$14,552,351.82 as against \$13,162,893.95 in November. Loans at the January call totaled \$11,745,215.48. At the November call they totaled \$10,369,863.12. As compared with the total deposits a year ago the showing is not quite so flattering. The total deposits January 31, 1910 totaled \$14,852,605.58. This is a slight decrease for the year. The Valley National increased its deposits \$107,808.25 over a year ago but the other three institutions showed a falling off. There are indications however that times will be perceptibly easier from now on and the gain that has been made since November is regarded by bankers as satisfactory. Farmers are marketing their crops and the money that has been taken out in past months is once more floating into the banks, where it belongs.

Takes Over Merchants' National

The First National at Sioux City not only increased its capital stock to \$500,000 as stated in my letter of last week but it took charge of the Merchants' National of that city as well. This bank merger is one of the largest in many months in Iowa. The Merchants' National had been in existence 22 years. The transfer took place upon the day of the annual meetings of the two institutions. That same night the books and money were carried from the Merchants' National over to the First National. The Merchants' National owned its own building and this was taken over along with the purchase. The Merchants' National had a capital stock of \$100,000 and deposits of \$1,200,000. The combined bank now has capital stock of \$500,000 and deposits of close to \$7,000,000. John McHugh, president of the Iowa Bankers Association remains as head of the First National. John J. Large, president of the Merchants' National, becomes vice-president of the merged bank along with D. A. McCornack, H. G. Weare and W. L. Montgomery. Vice-President E. B. Spalding and Cashier G. N. Swan of the Merchants' National will be interested in the merged institution but not officials. E. W. Rice, who recently retired as president of the Merchants' is also interested in the combined institution.

Few Changes in Bank Elections

Few changes have occurred at the various bank meetings of the institutions of Des

Moines. W. G. Town was elected on the directory board of the Valley National succeeding D. P. Reinking. There were no other changes on the boards of the national institutions. R. B. Vorse was advanced to cashier of the Century Savings succeeding D. A. Byers and J. E. Morton, assistant cashier succeeds Mr. Vorse. The Mechanics Savings elected C. A. Rawson director instead of A. Clemens as stated in my letter of last week. P. B. Sheriff was placed on the directory board of the Home Savings. A. C. Miller was re-elected president of this institution although it is expected that he will retire in favor of W. B. Lutz, vice-president, who purchased a controlling interest in the institution some months ago.

Leading Citizen of Perry Dead

Allen Breed, president of the Perry Savings and Exchange and vice-president of the First National of Perry died at his home in that city at the age of 77. Mr. Breed has been accounted Perry's leading citizen. He was at one time heavily interested in the Chicago street railway company with the late Charles Yerkes. He was four terms mayor of Perry and was the builder of the largest business block in the city.

Bankers Loan and Trust Company

The Bankers Loan and Trust Co. to be backed by all the banks of Sioux City is soon to be organized in that city with a capital stock, probably of \$200,000. It is purposed to act as an aid to the Commercial Club in a development plan that is expected to mean much to the business interests of Sioux City. Each bank is to be equally represented in the stock issue and have one representative on the directory board.

Yeggman Escapes from Jail

Taylor Brown, accused of being a bank robber and wanted in Missouri and Nebraska was arrested at Creston last week and permitted to escape that same night from the city calaboose. The Association of National Bankers had offered rewards of \$150 according to the officers at Creston who were beginning to count the money as their own. Brown sawed his way out of jail and up to this time, no clue as to his whereabouts has been found.

Advocating New Law for Trust Companies

Iowa newspapers in general are supporting the legislative committee of the I. B. A. in the request for a new law that will permit trust companies to act as guardians of estates and administrators. Here is a sample editorial from the Sioux City Tribune: "Iowa's laws defining the limitations of loan and trust companies is too narrow, as experience here and observation elsewhere proves. A large part of the business of a loan and trust company in most states is to act as trustee for the affairs of others, as executor, administrator, referee, guardian and in other like capacities. The privilege opens up a vast amount of business, that comes unsought to a sound and carefully managed institution from persons who through lack of training cannot handle large affairs as advantageously as capable bankers can. It is a

TO IOWA BANKERS

Please forward marked copies of your home paper to the Chicago Banker when it contains anything about Iowa Banks or Bankers. The favor will be appreciated.

The Chatham National Bank

NEW YORK CITY

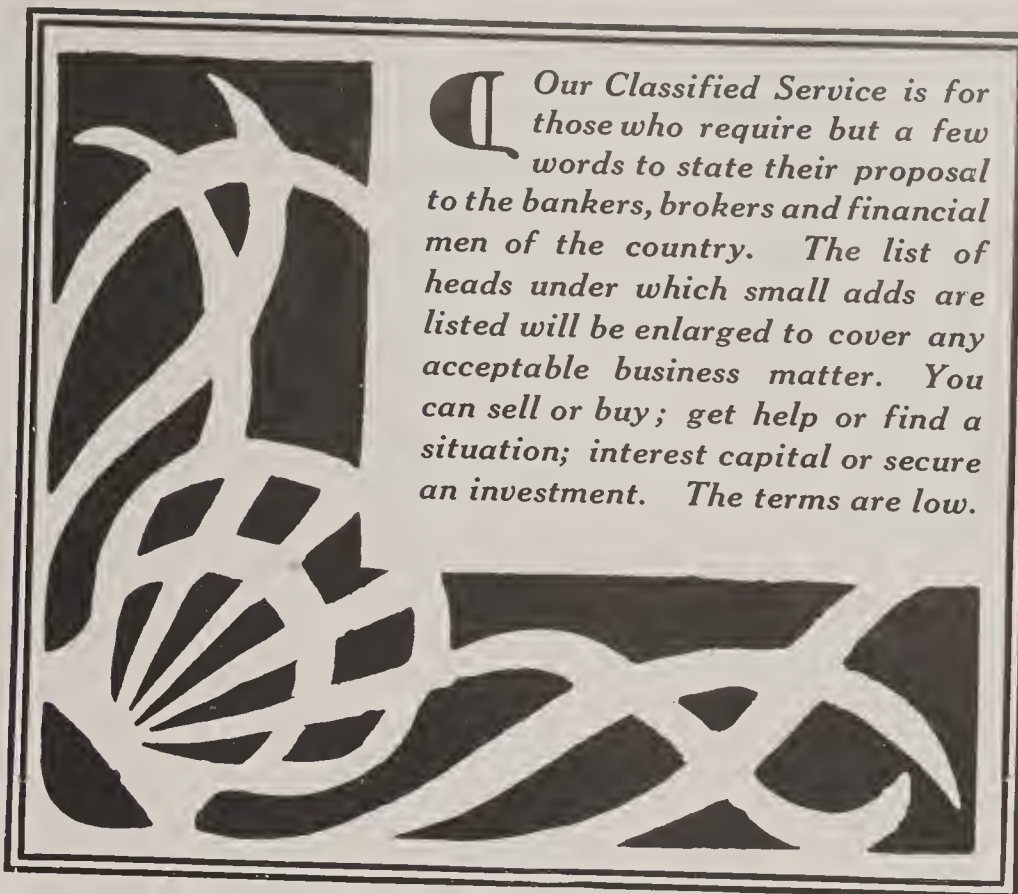
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Vice-President

LOUIS G. KAUFMAN
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HENRY L. CADMUS
Assistant Cashier

WILLIAM H. STRAWN
Cashier



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legitimate business. Iowa made an experiment in prohibiting it; and it is time to realize the failure of it and remove the ban. To do so will not only greatly enlarge the business of those loan and trust companies that are now operating in the state under a handicap, but it will make possible the development of others. This is a place where the cry of widows and orphans is really to be heard. They need thoroughly capitalized and organized responsible trustees to protect the little properties that husbands and fathers struggled to lay up for them. A good trust company makes the best trustee for the helpless.

Banking Notes

It is believed that the automobile in which the robbers rode away from the Dow City Bank after getting \$5,000 is in the livery stable at Manning. Three strangers drove into the livery barn the morning after the robbery and requested the liveryman to store it for a few hours. They have never come back.

The First National at Boone has purchased a building at the corner of Eighth and Story in that city for \$38,000 and now has one of the finest homes in the state. The block was purchased of S. L. Moore.

Nathan P. Dodge, brother of the famous veteran General Grenville M. Dodge is dead at Council Bluffs. He was interested actively in the Council Bluffs Savings and had resided in that city since 1857.

H. E. Manker has resigned as president of the First National at Elliott. He has been succeeded by O. J. Powell.

The Commercial State at Mediapolis and the Sperry Savings at Sperry, owned by the same interests were opened on the same day last week. The Mediapolis institution has a capital stock of \$50,000. The Sperry bank has a capital stock of \$12,000.

The American Savings at Sioux City has filed articles with the secretary of state. The capital stock is \$50,000. The incorporators are W. S. Snyder, George C. Call, E. M. Corbett, N. Tiedeman, Samuel Krummann, Leonard O'Harrow, Herman Galinsky, Alex Larson.

Reports have reached Des Moines that the Bradley interests of Centerville have disposed of their stock in the First National at Moulton to Moulton parties.

Capt. Wm. H. Ingham, president of the Kosuth County Bank at Titonka appears to have been on the last buffalo hunt ever held in Iowa. This was fifty-five years ago and the hunting party chased forty-four animals over the prairies. Capt. Ingham bought \$700 worth of buffalo hides from some of the trappers then in that section of Iowa.

Robert Aitchison, president of the First National of Mt. Pulaski, Ill., has bought the Johannsen interests in the First National at Colfax, Iowa. He has been elected a director in the latter institution.

Peter Behn, Sr. and C. S. Moller have been elected directors in the Battle Creek Savings at Battle Creek succeeding J. L. Riesedel and Charles Wirth.

J. H. Ingwersen, president of the People's Trust and Savings at Clinton and one of the best known bankers in Iowa, dropped into Des Moines last week. Mr. Ingwersen thinks that the increase in deposits is indicative of further growth along the same line. However in this connection, Jas. F. Toy is quoted in the Sioux City papers as predicting a falling off in March because of the activities of tax ferrets and general dissatisfaction with the Iowa tax laws.

Leo. H. Paulger has been elected cashier of the Security Savings at Cedar Falls succeeding his father, F. W. Paulger whose death occurred recently at Hot Springs. The directory board was increased from five to seven.

Jesse D. Newcomer, vice-president of the Hardin County National at Eldora, died very suddenly two hours after he was stricken with paralysis at his home in Eldora. He had been a resident of Eldora since 1860 and was very well known.

The Polk county supervisors have voted to issue \$200,000 refunding bonds and as yet they have not been sold although there has been an active demand for them.

Des Moines bankers were too busy to hold a meeting of the bankers club on Jan. 12, the regular date. It was postponed until Thursday of this week.

Bank clearing in Des Moines gained \$277,595 for the week ending Jan. 14th as contrasted with the clearings for the corresponding week in 1910. The total was \$4,052,253.04.

Among out of the city bankers who have been in Des Moines recently were President J.

W. Foster of the Citizens Savings at Guthrie Center; Vice-President Otto C. Herman, Security Savings, Boone; Cashier John Kirby of the First National, Estherville; Cashier H. S. Thompson, Bank of Earlham; Cashier J. H. Roberts, Bank of Boxholm; Cashier E. H. Rich, First National, Fort Dodge; Cashier C. C. Harris, Wilton Junction Bank; Cashier R. A. Clark, Exchange Bank, Elkhart; Cashier C. D. Cass, Fort Douglas Savings; Cashier J. W. Smith, Bank of Coon Rapids.

G. D. Ellyson, president of the Commercial Savings, Des Moines, was taken ill upon his return from Melbourne, Iowa, and is confined to his home suspected of having the typhoid fever.

Ed. C. Brown, formerly a banker at Sheldon which failed, is dead at Thermopolis, Wyo. He was indicted in connection with the Sheldon bank failure and acquitted. Brown was active in politics, was once state railroad commissioner and later a defeated candidate for congress in the Eleventh Iowa district.

Gustave Jans, president of the German Savings at Manning has resigned after disposing of his \$35,000 interest in the bank to the directors. His successor will probably not be named until July.

Iowans were particularly interested in the refusal of President Taft to extend clemency to W. S. Harlan convicted of peonage. Mr. Harlan was formerly a resident of Indianola and his brother, a banker at Indianola has been seeking to influence President Taft to grant a pardon to the prisoner.

"Jim" Tanas supposed to be an accomplice of Gust Toney who is held for forgery on a pay check for the First National at Odebolt has been arrested and Secretary Hall of the Iowa Bankers Association has a letter written to him by Toney which it is expected will prove valuable evidence in the case. The letter was torn up by one of the men when he discovered its importance. Mr. Hall fished the pieces out of a waste basket and joined them together so that they now appear on a window pane as "natural as life."

L. E. Wakefield, formerly assistant cashier of the Northwestern National, Minneapolis, has assumed the treasurership of the Wells & Dickey Company, investments.

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Perhaps no banker in the Central West is in closer touch with actual commercial conditions especially in regard to agriculture and the produce market than J. R. Dominick, president of the Traders' National of Kansas City. He is a financier of the highest standing and reputation for conservatism and sound judgment. Therefore, his statement to a representative of THE CHICAGO BANKER relative to conditions in this territory bear the mark of authenticity. "It must be understood," said Mr. Dominick, "that I do not view conditions as a pessimist. On the other hand I do not believe that the situation generally in this territory warrants undue optimism. I look for a slower market and sagging values for the coming year. Note this does not indicate hard times or even dull times. I believe that it is a good indication for general business in the long run. It denotes a healthy reaction from previous conditions and no doubt business will be all the better for it. In the business of the Traders' National we have been in close touch with the produce and cold storage men, and it is highly gratifying to me that our people have not been caught in the general slump that seems due the cold storage business elsewhere. Kansas City dealers were fortunate in 'getting from under' several weeks ago and practically all of the cold storage products in this city are held on eastern accounts.

"I regard the future as unusually bright and my reference to a sagging market should not be construed in any discouraging light. This territory is prosperous and it is natural during a time of prosperity to overdo matters. But I am confident that conservatism will rule and that general business will profit thereby."

Thornton Cooke Says Everybody's in Debt

Thornton Cooke, treasurer of the Fidelity Trust Company of Kansas City, is a shrewd and observant financial scout who knows conditions in this territory quite as well and perhaps better than any other western banker. He has spent much of his time of late attending meetings of bankers in both Missouri and Kansas and his acquaintance is extensive and valuable. There is scarcely a meeting of any importance in this territory to which he does not go, and his opinion may be termed "grass root" information. In discussing affairs with a representative of THE CHICAGO BANKER recently, Mr. Cooke said:

"One phase of the financial situation in this part of the country that has struck me forcibly, is the fact that nearly everybody is in debt. That fact, in my opinion, will have the effect of making business a little slower here during the coming year than last. I look for good business, mind you, but not for any record breaker. In the country the farmers are heavy borrowers. They have had fine crops and as a consequence, the farmers have expanded. They have bought more land to add to their farms, and it is also a fact that farmers are the greatest speculators on earth. Kansas farmers have been investing heavily in Texas and Florida lands, buying whole counties in the latter state. City people, too, are in debt. They are buying new homes in better districts on which they owe, and there are of course the automobiles that help to swell the personal liabilities of country as well as city people. But I do not think there will be anything like a serious slump here in the Central West. Our own business remains good.

Detectives Breaking Up Wymore Gang

With several men under arrest at various points in Kansas and Nebraska under the sus-

picion of belonging to the famous Wymore, Neb., gang of bank robbers, there has been a decided lull in the bank looting business in this section of late. The increased activity of the authorities along the northern Kansas border, and the co-operation of the Nebraska officials, has resulted in making it much more dangerous for bank robbers to ply their trade. Sporadic attacks upon banks in small Missouri towns and in Colorado and Texas are believed to have been committed by men not connected with the gangs that have been operating in Kansas and Oklahoma.

The most important prisoner now in the hands of the officers gave his name as Neil Mulcahy. He was arrested in Kansas City through information furnished by the Pinkertons. After his arrest a search of his rooms revealed a package of dynamite, fuse and caps wrapped in a piece of wall paper. Mulcahy also had in his pockets \$281 in currency which showed powder or dynamite marks. After the robbery of the Waterville, Kan., bank some weeks ago the officers traced the robbers to a corn field where investigation disclosed a number of things that the robbers had used in robbing the bank. These articles were wrapped in a piece of wall paper and buried in the soft earth. The pieces of wall paper found in the corn field and in the room of Mulcahy matched. After this arrest, a representative of the State Bank of Waterville, which had been robbed, came to Kansas City and replevined the money found in Mulcahy's pockets. After that the prisoners was taken to Marysville, Kan., which is not far from Waterville, for safekeeping.

While Mulcahy was being investigated in Kansas City, deputy sheriffs from Maryville, Kan., arrested Alexander Bernard at the home of his brother two miles east of Wymore, Neb. Bernard was also taken to Marysville where he, with Mulcahy, is awaiting arraignment. Another suspect arrested later gave the name of James Edwards. He was taken at Red Cloud, Neb. And still later another prisoner, who refused to give his name, was added to the Marysville colony.

An unsuccessful attempt to rob the Bank of Pilot Grove, Mo., was made on the night of Wednesday, January 11th. While trying to force an entrance to the bank they were discovered by the night watchman, who drove them off. Shots were exchanged but the robbers made their escape.

Introduce Changes in Oklahoma Guaranty Law

Important changes in the Oklahoma bank guaranty law have been incorporated in a bill introduced in the house of representatives by Representatives Acton, Cox and Fuller, three state bankers. The change most different from the provisions of the present law is, that instead of paying off the depositors of failed banks with cash and at once, the banking board is directed to issue certificates due within four months to all depositors. This is designed to give time to get all the assets and liabilities together and prevent the excitement due to immediate cash payments out of the state guaranty fund.

It is also proposed to reduce the annual premiums due the guaranty fund from one-fifth of a cent, as at present, to one-twentieth of one per cent per annum. The amount of emergency assessments which may be levied within one year are reduced from two to one per cent of the average daily deposits. The banking board of the state under the new bill, would consist of the governor and two experienced bankers, the

latter to receive the same salaries as bank examiners. The maximum limit of the guaranty fund is made 5 per cent of the total average daily deposits as at present. Certificates bearing 4 per cent interest shall be issued when the bank guaranty fund shall be exhausted and depositors not satisfied. The authors of the bill are O. B. Acton, of Guthrie, president of the State Bank of Lovell; K. C. Cox, a banker of Granite, and G. M. Fuller, president of the State Bank of Strecker, Okla.

Bank Elections

The annual stockholders' meetings of the Kansas City banks resulted in various changes in their official boards. Most of these meetings were held last week, although several are scheduled for the latter part of this month. Interest centered in the changes in the official personnel of the New England National which is one of the strongest institutions in the Central West. John F. Downing, for many years president of the New England, was re-elected. C. J. Hubbard was elected vice-president; George B. Harrison, who has been acting as cashier, was made active vice-president; P. G. Walton, cashier, and F. T. Child, V. K. Tuggle and G. G. Moore were elected assistant cashiers. In order to take the position of cashier, Mr. Walton resigned as national bank examiner for the district of Kansas and Kansas City. He was national bank examiner for the two Kansas Cities, Topeka and Wichita. His successor in that position has not been appointed.

George H. Edwards, president of the Edwards & Sloan Jewelry Co., and a member of the upper house of the city council, was elected president of the Mercantile Bank. He succeeds W. H. Winants, who was elected chairman of the board of directors. Mr. Sloan has not heretofore been actively connected with any of the Kansas City banks. Other changes in the Mercantile Bank were: Louis Oppenstein, elected vice-president to succeed P. F. Covington, and George H. Ruddy, cashier. It is said that there has been no change in the interests controlling the bank.

At the National Reserve Bank, John C. Knorpp was elected vice-president. J. R. Burrow, president of the Central National of Topeka, was elected a director of the National Reserve Bank to succeed his son. Frank H. Burrow is to remain director of the National Reserve Bank. J. F. Holden, vice-president of the Kansas City Southern Railway Company, was elected a director to succeed L. C. Smith, and David Thornton was made a director to succeed Thomas Lynn.

The annual election of the Drovers' National resulted in the confirmation of the selection of H. L. Jarboe, Jr., and Charles E. Waite was elected vice-president and cashier. The following directors were elected: Samuel Silverman, George H. Cowan of Morris & Co., John G. Groves, C. H. Hill of Sulzberger & Sons and C. M. Macfarlane, Mr. Jarboe, as stated in THE CHICAGO BANKER last week, was formerly vice-president of the Stock Yards National of St. Louis.

In the Commerce Trust Company Henry P. Stewart was elected to the directorate to succeed H. Clay Armond, deceased. The vacancy caused by the death of G. W. Jones in the directorate of the Traders' National was filled by the election of F. L. Alexander. At the National Bank of Commerce the only important change was the election of W. L. Buechel vice-president. R. W. McCurdy has been tendered the position of treasurer of the Home Deposit

Company of Independence (Mo.) caused by the death of W. A. Symington. C. E. Ricker has been elected a director in the First National to succeed B. C. Brown.

The annual election of the Central Savings Trust Company which is just beginning business resulted as follows: John T. M. Johnston, chairman of the board of directors; C. B. McCluskey and F. H. Burrow, vice-presidents and J. L. Johnston, secretary and treasurer. The following directors were chosen: W. E. Halsell, David Thornton, George S. Carkener, G. M. Smith, L. S. Parker, Robert L. Tschudy, C. S. Van Noy, Frank H. Burrow, Amos Gipson, Daniel Lyons, George E. Ricker, C. S. Cobb, S. H. Ferguson, O. G. Lee, R. L. Sutherland, C. W. Beeler, George D. Hope, Arthur C. Cowan, E. B. Smith, J. M. Coburn, Overton Harris, George Gosch, J. L. Johnston and C. B. McCluskey.

In Kansas City, Kan., P. W. Goebel was re-elected president of the Commercial National, A. C. Fasenmeyer, first vice-president; C. L. Brokaw, second vice-president and cashier and J. G. Bishop, assistant cashier. At the People's National of Kansas City, Kan., G. C. Smith was elected president, Dr. G. M. Gray, vice-president; J. D. White, cashier and James Ratcliffe, assistant cashier.

The Gate City National of Kansas City held a unique election of officers. A dinner was given by the directors at a prominent hotel and following this dinner all of the old officers were re-elected as follows: John M. Pollard, president; D. M. Pinkerton, cashier and R. L. Beattie, assistant cashier. The following are the directors: E. T. O'Rear, C. B. Norton, Joseph C. Wirthman, Ralph P. Swofford, Dr. J. Philip Kanoky and John T. Harding.

Citizens' Bank Quits Business

The Citizens' Bank of St. Joseph, Mo., closed its doors last week and its affairs were liquidated by the Drovers and Merchants Bank of that city. The arrangements for liquidation were made under the direction of John E. Swanger, Missouri bank examiner. It was stated that the Citizens' Bank was not insolvent but that it did not pay and the stockholders decided to quit business. The total assets and liabilities of the bank were \$44,789. The capital stock was \$10,000. E. T. Davis was president, Dr. J. L. Byrne, vice-president and E. T. Davis, Jr., cashier. The bank was organized four years ago.

Central West Bank Clearings

Bank clearings in the Central West continue to show a very satisfactory record in a general way. Kansas City is still in sixth place with a total for the week ending January 13th of \$57,662,000 which is an increase of 10.3 per cent. St. Joseph, Mo., also showed a gratifying gain of 10.5 per cent, its total being \$7,983,000. Omaha fell off slightly with \$15,704,000 to its credit while Topeka showed a gain of 57.8 per cent and Wichita 19.2 per cent. The former had \$2,042,000 and the latter \$3,522,000. Oklahoma City showed a slight decline, but holding up well with \$2,386,000 for the week.

Walters-Machette Company

Through the consolidation of the country banking security business of the Orthwein-Machette Investment Company of Kansas City and the business of the Charles Walters Company of Council Bluffs, Ia., Kansas City will have one of the largest and most important houses for the sale of country banks in the West. The new company will be known as the Walters-Machette Company and will confine its business to negotiating the sale of smaller banks and banking securities. C. A. Chapman, vice-president of the Charles Walters Company will be vice-president of the new concern and will move from Council Bluffs to Kansas City.

Illinois Bankers Attend Council Meeting and Banquet

The mid-year meeting of the Illinois Bankers Association executive council was held in Chicago on Tuesday. There was a large attendance, and the meeting which convened in the directors' room of the First National Bank building at two o'clock lasted until five-thirty. It was the first session at which Chairman John D. Phillips presided. It was the opinion of those who attended that he made a first-class presiding officer, and later in the evening scored a second success as toast-master of the banquet in the gold room of the Congress Hotel. During the forenoon of Tuesday several subcommittees held earnest sessions. They were the committees on agriculture, the committee on protective service, and the committee on "revision and rejuvenation" of the constitution.

The agricultural committee was greatly entertained by a report made by its secretary, W. G. Edens, of the Central Trust, who the previous week had attended the meeting of the executive council of the Minnesota Bankers Association at St. Paul. Mr. Edens attended that meeting to learn something of the pioneer efforts of the "back to the soil" committee of that organization. B. F. Harris of Champaign, vice-president of the state organization, is chairman of this committee, and both he and Mr. Edens made verbal reports of the work already done, to the executive council and the committee was continued. The committee is intending to take up the vocational feature of the work and make an attempt to have the principles of agriculture taught to some extent in the public schools.

The protective committee made a report on a proposal to join with the burglary insurance companies in offering rewards for the capture of criminals such as is done in many of the nearby states. This entire matter was thrashed over very thoroughly and referred to the protective committee. One recommendation which came from this branch of the organization called for the appointment of three bankers in each county to work with and to stimulate the local officials in apprehending criminals against banks. Mr. Wright of the general committee advocated county organization of bankers to take up home work in a field not covered by or conflicting with either the state organization or the group organization. These issues were referred to a committee of five. A communication from the Interstate Protective Association embracing some of the states northwest of Chicago (except Wisconsin) was received asking Illinois to join it in its work. After considerable debate this was referred to the executive officers of the association with power to act.

Mr. Woodruff's committee on "revision and rejuvenation" of the constitution was in session all day long and no report was made to the general committee. This is perhaps the most important committee maintained by the state association and its work requires a vast amount of investigation into the constitutions which have proved so successful in other states.

In the evening there was a general banquet attended by members of the council and former officers of the association. It was held in the gold room at the Congress Hotel and there were upwards of one hundred in attendance. There were no formal addresses and a great many members were prevailed upon by Mr. Phillips to make talks upon various subjects. There was a stereopticon show and lecture on Africa hunting and travel topics. It was very interesting to many of those present. The banquet was entirely up to the requirements, and was much enjoyed by those in attendance. Secretary Crampton was congratulated upon the perfection of plans by which the day's events were so neatly carried out.

High Grade 7 Per Cent Stock

Wollenberger & Co., 206 LaSalle Street, Central Trust, Indianapolis and Colonial Trust, Chicago, are offering seven per cent cumulative stock in the Dodge Manufacturing Co. of Mishawaka, Ind., at par and interest. Truthfully this can be called high grade stuff, and the standing of the three financial institutions offering it is sufficient guaranty. Circulars may be had giving fullest details for the asking. President Mix refers by permission to the following banks with which his company does business: Continental & Commercial National Bank, Chicago, Irving National Exchange Bank, New York, Philadelphia National Bank, Philadelphia, National Union Bank, Boston, Federal National Bank, Pittsburgh, First National Bank, Cincinnati, Third National Bank, St. Louis and Mishawaka Trust & Savings Bank, Mishawaka, Ind.

Bank Stock Quotations

Among the more active Chicago bank stocks quoted by John Burnham & Co., 159 LaSalle street, are the following:

	Bid	Ask	Book	Value
Austin State Bank.....	300			226
Calumet National	150			146
Central Trust Co.....	169	172		148
Chicago City Bank.....	172	178		147
Chicago Savings	146	152		122
City National (Evanston)....	300			226
Colonial Trust	181	185		175
Continental & Com'l.....	278	280		165
Corn Exchange National.....	429	433		286
Drexel State	145	150		116
Drovers Deposit National.....	222	228		169
Drovers Trust	178			166
Englewood State	124			120
Farwell Trust Co.....	118	121		112
First National	421	423		267
Fort Dearborn	178			128
Hibernian Banking	226	229		167
Illinois Trust	498	502		278
Kenwood Trust	144	149		130
Lake View Trust.....	140	145		121
LaSalle St. National.....	118	120		126
Live Stock Ex. Nat'l.....	242	250		141
Merchants Loan	430	433		303
Monroe National	130	135		122
National Bank Republic.....	200	202		164
National City	228	230		128
National Produce	143	145		134
Northern Trust Co.....	314	318		264
Standard Trust	134	136		126
State Bank of Chicago.....	359	361		225
State Bank of Evanston.....	297	299		235
Stock Yards Savings.....	209	214		175
Union Bank (Chicago).....	140	145		621
Union Trust Co.....	275			201
Washington Pk. Nat'l.....	135			108
Western Trust	149	152		112

Another Private Bank Assigns

Watkins, N. Y., January 18.—The Watkins Exchange Bank, a private institution, closed its doors yesterday morning under a general assignment made to O. P. Hurd for the benefit of the creditors. This is the second private bank failure here within a month, the Farmers & Merchants' Bank having failed December 19th. The village is now without a bank.

Another Private Bank to be Closed

Arapad Goetzl, a private, foreign banker of Pittsburgh, Pa., committed suicide by shooting himself in the brain. He had been in financial trouble, due to a run on his bank by foreign depositors.

Little Rock, Ark., January 18.—The Bank of Grannis, Ark., was blown up last week, the vault and safe being wrecked by dynamite.

The damage to the safe, vault and building is about \$3,000, and about \$1,500 is missing.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

SPECIAL OPPORTUNITY FOR \$25,000.00

¶ I am desirous of having either a silent or active partner, who can furnish the above amount, and be in a position to finance an additional \$25,000.00 if so required.

¶ To establish a Specialty Retail Store on State Street, Chicago. (Dry Goods line). There is no other store of its kind west of New York. I feel reasonably sure that I can show a profit on the investment of from

75 TO 80 PER CENT.

¶ This is really a big opportunity for a safe investment, and general business conditions were never more favorable than at present for the success of a store of this character. The merchandise is always in demand.

¶ Personally I have not the money, but have the *executive ability*, as well as a thorough knowledge of the merchandise, and know what can be accomplished. Can furnish any amount of references as to my reliability and earnestness. Principals only; no promoters.

Address, S-151 Chicago Banker.

SITUATION WANTED

By thoroughly experienced lady stenographer, brokerage, credits and statement work. Well educated, neat dresser. A1 references address B-5, Chicago Banker.

Phonograph. New. Cost \$200. Sell for \$110. Address, D-136, Chicago Banker.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

For Sale. 57 long focus Seneca No. 9, case and 6 Premo holders. Cost \$50.00. Sell for \$25.00. Like new. D. 721 Chicago Banker.

For Sale. 5x7 latest model Graflex, i.c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor. Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.
The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.
This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.
Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37.
This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

Mainly About Banks and Bankers

(Continued from page 3)

PEOPLE do not smoke as much as they did. That's why the tobacco trust has nine million pounds left unsold from the 1909 pool. Or, have they been using more cabbage filler than usual?

ONE of Chicago's younger "road agents" had been going after business for his bank quite successfully for some months but his expense account was in keeping with the new business he turned in, but which sometimes staggered the head of the department who finally deemed it time to quietly point out an item in his expense account, labelled "traveling." Calling him into his office and after going over the account which presented a fair sized amount, and which was not all intended for railroad fares, remarked in a quiet voice, "you certainly ought to cover a great deal of territory my boy, for that amount of money." "Yes, I know that sir," said the smooth one. "But you know sir its necessary for me 'to go some' even when I'm standing still."

A BANK building covering a complete square, and that on Lasalle Street is the only thing that suits the Continental and Commercial National, and "it won't be happy till it gets it."

LAWRENCE O. MURRAY was in Chicago the past week "just looking around." He sizes up to his job if anybody ever did. We wish we had the power to oust the political examiners and could use only qualified men. Here are some of Murray's hobbies:

"The fact that some of the examiners obtain much better results than others has been brought forcibly to my attention, and the difference is so marked that I am making a personal investigation to learn whether the difference is due to the personal equation or to inferior methods employed by some of the officials."

"Each examiner is required to keep detailed information regarding the borrowers from the banks in his district and quite complete data relative to the various assets held by such banks. Each examiner's office will be inspected to see if the information on file is complete and available, and where the offices are not well organized I shall insist on improved methods."

A NOTHER Ohio bank cashed a check for a smooth stranger and thus puts Col. Rankin to the trouble of offering a \$50 reward. Really a bank is not entitled to help or sympathy in such a case. There should be a fine imposed instead. The Toledo bank checked upon says "there have been others" who suffer in silence.

GEORGE L. RAMSEY'S Union Bank and Trust Company of Helena must have gotten its statement out by telephone for it was January "eleven" instead of "seven," the two chief oral stumbling blocks with the Hello girls.

"DEPOSITS \$33,600,000." is the message sent out by Col. Galbreath of the 3rd National, St. Louis, he of the famous embossed numeral. The "Big St. Louis stock flurry" which the papers told about last week wasn't in his back yard.

"ELEVEN years of growth" is the title line under which the First National of Marquette shows how it more than doubled its deposits in that time. L. G. Kaufman is president, the same bland gentleman who put the Chatham and the Phoenix Nationals together so neatly recently in New York.

"FURNITURE and fixtures charged off" is a line in the statement of the First National of Clarksville, Tenn. It isn't in the big centers alone that right banking is done.

E. D. KENNEDY, cashier of the Exchange National, Long Beach, Cal., reminds future prospects of the advantages of his institution by the follow-up postal system. It has been quite effective.

SECRETARY JAMES M. HURST, of the Illinois state group organization has been working with the other members on the question of dates. He learns that Group Nine will meet at Centralia May 25th and that Group Seven will meet at Shelbyville June 14th. Other likely dates, but not definitely decided, are: Group One, Moline, June 1st to 10th; Group Two, Peoria, June 1st to 10th; Group Three, DeKalb, June 15th to 20th; Group Four, Ravinia Park near Evanston, June 20th to 25th; Group Five, Pontiac, about May 30th; Group Eight, Carthage, June 1st to 15th, and Group Ten, Murphysboro, May 20th to 25th. Group Six was not represented at the conference, but W. H. Ownby of Mattoon, when seen later, stated that the meeting would probably be held at Charleston and the time would be the latter part of May.

M. R. HURST is doing what he can for consecutive, non-conflicting dates, at least by districts. This helps more in point of attendance and interest than most persons suppose.

W. C. COOK, vice-president of the Western Trust, was the first Chicago banker to inspect the fine new Harris (First National) bank building at Champaign. He says it is the best ever. He was much interested in a 125 year old key safe which was one of the first burglar proofs in the state. It and the Harris family are contemporaneous.

FURTHER Mr. Cook was interested in a picture, hung upon the walls of the bank, framed by rails, au natural, split by the first Harris in the Champaign dynasty. Altogether Champaign is an interesting city and Mr. Cook was greatly pleased with all he saw.

P. YOREE (say it fast) is president of the Commercial National at Shreveport. Van Hook, E. Haag and H. Doll are on the board.

HOMER A. MILLER uses a folding postal to advertise the beauties, exterior and interior, of his beautiful new banking room in the Fleming building. The Iowa National, is one of the brag points of Des Moines.

EXCHANGE NATIONAL prints, "Deposits \$4,492,549.60" in red on its statement folder and nobody blames them for it.

SOUTH TEXAS NATIONAL, Houston, is twenty years old and twenty years wise and safe. Quite a record. B. D. Harris, vice-president and cashier is the active force in the growing institution. Henry Brashear retired as vice-president but will remain on the board.

HANOVER NATIONAL, New York, is on example of what may be done by giving bankers' balances intelligent and persistent attention. Individual deposits are \$20,368,621.82. While to other banks deposits to the amount of \$59,579,485.60 are credited. Alexander D. Campbell looks after "country banks," and James M. Donald gave it his close attention for years.

W. T. FENTON isn't the only one who can dash off a ten line paragraph, all in one sentence. Please see the Northwestern National booklet. Probably J. A. Latta is the guilty epigramarian.

GIRARD NATIONAL, Philadelphia, shows \$36,769,160.82 in deposits for January 7th call. The inside works of this bank building are the last word in things modern, but the outside is a part of the financial history of our country.

A GAIN we are receiving printed statements which give only the name of the bank but not the city, country or state where it is located. This is like throwing kisses at a young lady in the dark—goes to waste.

WHY not sell a little U. S. Steel short?

U. S. STEEL admits it is down to 40 per cent of its capacity now. Note we say "admits" and then string your bets. No, this isn't advice; it is comment.

F & M. NATIONAL, Philadelphia, claims to be giving a continuous performance so far as growth is concerned, and proves it by the figures. Howard W. is president and Henry B. Bartow, cashier.

W G. P. HARDING'S First National, Birmingham, is going along at a fine clip. J. K. Fleming is the new a. c. elected to help keep up with increased business. Capital and surplus now are \$2,900,000.

A MERICAN TRUST, same place, has decided to erect another skyscraper, this one to be 16 stories in height. This is a live wire bank and earned 22 per cent on capital last year.

S EABOARD, N. Y., over \$28,000,000, last call.

D ID you note in Iowa letter last week what a jump the capital and surplus of McNider's First National took, down at Mason City?

"N O distinction made between large and small customers" is a printed maxim of the Commercial-German National, Peoria. That's good stuff to use.

S TREATOR NATIONAL is out with a new sepia toned booklet, embossed in gold, for which H. W. Lukins, art critic for the bank, is getting many compliments. The new bank building, inside and out, is a thing of convenience and beauty and the booklet is a beauty.

T OOTLE-LEMON NATIONAL, St. Joseph, makes a point that the large increase in savings in Illinois and other states largely was caused by the realization of the high cost of living on the part of the people. They cut expenses and put the money in the bank.

G EORGE H. BURR & CO. report a good demand for Karpen Building 5s, one of the best of the local securities offered in this market for years. Priced at 99 and 99½.

M ONROE NATIONAL, Chicago, increased deposits last year 35%.

B ANK OF PITTSBURGH, National, the oldest bank west of the Allegheny mountains, having been founded in 1810, shows deposits of nearly nineteen millions. It has one of the handsomest bank buildings, exterior and interior, in the country.

E J. GILLMEISTER, Western Trust and Savings Bank, is secretary to the Chicago Chapter A. I. B. banquet committee, dinner to be in the gold room, Congress Hotel, January 28, at 6 p. m.

C HICAGO CHAPTER boys are famous for the good dinners and good programs which they serve up to their guests at these annual talkfests. This year they have the famous Francis W. Walker, Chicago's star attorney; Francis J. Simmons, head of the Lincoln Park Board, and Charles A. Alden, of the Ladies Home Journal.

M R. WALKER will talk on "City Government," Mr. Simmons on "Chicago," and Mr. Alden on "Patriotism." The banquet committee in charge for the chapter is composed of Messrs. P. P. Thorson and E. T. Gillmeister, both of Western Trust and Savings Bank; J. W. Rubecamp, Corn Exchange Na-

tional; H. Ellefson, Continental and Commercial National; F. E. Musgrove, Illinois Trust and Savings; Robert Gadsden, Merchants Loan and Trust Co.; F. C. Nason, First National; H. S. Smale, Continental and Commercial National; W. S. Blanchard, First National; L. A. Meahl, National Bank of the Republic.

W M. R. COMPTON & CO., Chicago and St. Louis, will send you a fine list of "bond offerings at bargain prices" for the asking. This may be your opportunity. The yield runs from 4.50 to straight six.

T HOMAS B. PATON, general counsel to the American Bankers Association, has sent out to members, and to the state committees, a series of eight pamphlets, containing drafts of proposed laws on eight subjects, recommended for enactment by the American Bankers Association in states where such legislation is needed.

E ACH draft of law is accompanied by a statement giving reasons for its enactment and a list of the states in which the same or a similar law on the same subject is now in force, quoting the exact wording of the law as enacted in such states. These proposed laws have been approved by the law committee and forwarded to secretaries and legislative committeemen of state bankers associations for use in the different states holding legislatures in 1911.

I T is the hope of the association this year to see a number of enactments of these laws in the different states, the underlying object of all of which is the protection of banks, either by making certain acts criminal or by safeguarding specified banking transactions.

O NE of the proposed laws relates to the punishment of those who make false statements to obtain credit. Mr. Paton has furnished a complete draft of this law, and it has been recommended by the law committee which is composed of Pierre Jay of New York, J. F. Hagey of the First National, Chicago, Isaac H. Orr of St. Louis, L. H. Dinkins of New Orleans, Lucius Teter, president of the Chicago Savings Bank and Trust Company, and Thomas B. Paton, the general counsel. This proposed law will make such misrepresentations a felony and punishable by such penalty as the legislatures of the various states may decide upon.

T HIS pamphlet, as well as all of the others, then gives in detail the exact condition of the laws in various states relating to this feature of banking.

A NOTHER pamphlet gives the draft of a proposed law and the punishment of those making derogatory statements affecting banks. Still another pamphlet covers the issuing of checks or drafts without funds. Still another pamphlet covers the subject of burglary without explosives.

O NE of the Paton pamphlets is a draft of an act fixing the liability of a bank to its depositor for payment of forged or raised checks. This will be a very interesting study for those who have this feature of banking service in charge. Then comes the proposed law relative to payment of deposits in two names.

L EGISLATION on this subject has been very unsatisfactory in most of the states, and the pamphlet devoted to that subject gives a full resume of the effective laws in most of the effective laws in most of the states. There are pamphlets covering the payment of deposits in trust and the competency of notaries of banks and other corporations. Every member of the American Bankers Association should make it his business to

be informed fully upon all these subjects and to take an active part in securing new legislation or amending old until all of these conditions are satisfactory.

N ELSON H. GREENE, active head of the Peoples Savings Bank & Trust Co., Moline, member-elect from Illinois to the A. B. A. executive council, was in Chicago to attend the Illinois council meeting this week. His bank made big gains in 1910, and the stockholders voted to increase capital from \$200,000 to \$250,000, and to add \$37,000 to their \$100,000 surplus. This gives the bank a working capital of close to \$400,000.

"P ROTEST CERTIFICATES" to the U. S. Collector of Internal Revenue may be had of the secretary of the Illinois association, at 1030, The Rookery, Chicago.

T HROUGH the courtesy of the Hon. Franklin MacVeagh, secretary of the treasury, Secretary Crampton has secured samples of all the certificates, savings stamps and forms now in use at trial points in each state, and it would appear that the details have been worked out to cause as little injury to the business interests as possible. Those who have been hesitating to open savings departments on account of the government competition should go ahead with their plans, making this feature of their banks as attractive as possible.

I N its onward march the Continental and Commercial National, Chicago, soon will demolish all the buildings on the block surrounded by LaSalle, Adams, Quincy and Fifth Avenue and erect a 20-story skyscraper. This block includes the old Continental National building, the Rand McNally and the McCormick block.

P ROBABLY the bank buildings now occupied by the Continental and Commercial National and by the trust company will be put on the market. They are splendid properties, and have advanced greatly in value since coming into the present ownership.

"C HICAGO, a City of Destiny," will be the subject of the Goode lecture in Booth Hall, before the Chicago chapter on January 24th. There will be stereopticon illustrations.

A MONG the interesting changes taking place in the recent annual meetings in St. Louis banks was the election of William H. Thomson as vice-president of the Boatmens Bank. This was in the nature of a promotion, Mr. Thomson being cashier, and E. M. Hubbard was made cashier in his place. During the last fifty-seven years Mr. Thomson has been in the continuous employ of the Boatmens. He started in as a clerk, and has held every position except that of president. Mr. Thomson is famous for his geniality besides his ability as a financier, and is one of the picturesque figures in middle western banking. Mr. Hubbard was elected a member of the board of directors to fill the vacancy caused by the death of Rufus Lackland.

"F ARRELL gets fifty thousand a year," says a daily headline. We are not just sure that this is J. Fletcher, but it ought to be. (Attention of Mr. Tilden.)

G OVERNOR WOODROW WILSON—that's his title since high noon on Tuesday last.

F LETCHER AMERICAN NATIONAL, Indianapolis, has over \$7,000,000 in bankers' balances, slightly more than half their total deposits.

Y OUR Uncle John S. Aisthorpe, of Cairo, has been chosen historian to cover the 21 years of life of the Illinois Bankers Association under the "old" constitution.

CASHIER.

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

DONNELL SAFE COMPANY

Established 1886

200-202 East Washington Street
CHICAGO, ILLINOIS

The Audit Company of Illinois

1439-42 First National Bank Building, Chicago

Specialists in Auditing and System-
atizing Public Service Corporations

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President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

FOURTH STREET NATIONAL BANK

OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,300,000.00

UNEXCELLED COLLECTION FACILITIES
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W. K. HARDT, Assistant Cashier	



If You Desire to Collect Your Out-of-Town Items
Promptly, Send Them to The National City Bank of Chicago

Correspondence Invited

The National City Bank of Chicago

Capital, Surplus and Undivided Profits \$2,000,000

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H. E. OTTE	Vice-President	HENRY MEYER	Assistant Cashier
F. A. CRANDALL	Vice-President	W. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	R. U. LANSING	Mgr. Bond Dept.

The Girard National Bank Of Philadelphia

Capital,	.	.	.	\$ 2,000,000.00
Surplus and Profits,	.	.	.	4,318,000.00
Deposits,	.	.	.	43,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

To Satisfactorily Handle Your Business, You
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JANUARY 28, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Bond Sales

The Chicago Railways Company has sold to the National City Bank and Harris, Forbes & Co., both of New York, approximately \$15,000,000 first mortgage 5 per cent bonds.

Chicago city bonds are being closely held by investors. Although a new issue of \$3,500,000 of 4 per cents was put out only last November, very few of the city's securities are now on the market. This issue netted the syndicate a good profit. The larger part of the issue, \$3,150,000 was taken by the syndicate at 98.38. The present price is 99 $\frac{3}{4}$ @100.

The Crane company has increased its capital stock from \$13,000,000 to \$17,000,000, the shares being \$100 each.

The \$60,000,000 4 $\frac{1}{4}$ per cent forty-nine year corporate stock of the city of New York was awarded to the syndicate comprising J. P. Morgan & Co., the National Bank of Commerce and the National City Bank on the joint bid of 100.987 for all or none. There were 549 bids, as compared with 423 bids at the sale last year.

Kuhn, Loeb & Co. announce that the \$2,740,000 Illinois Central Railroad Company refunding mortgage 4 per cent bonds, purchased by them, have all been sold.

Increased dealings in the first mortgage 4 per cent bonds of the Northwestern Elevated Railroad Company are beginning to attract a great deal of attention. Sales on the Chicago exchange in one day recently aggregated \$50,000 at prices of 96 $\frac{3}{4}$ @96 $\frac{7}{8}$. The bonds mature in September of this year.

American Can preferred will increase its dividend rate from 5 per cent.

Money Steady

There is greater activity in the local money market than for six weeks past and rates are steady, with a promise of firmness. There is a continued activity in bonds, with a volume of business large enough to have a good effect on the money market. Mercantile and real estate calls for capital are increasing. Counter rates are 5 to 5 $\frac{1}{2}$ per cent; secured loans 4 $\frac{1}{2}$ to 5; call loans 4 to 4 $\frac{1}{2}$.

C. H. Huttig Likes Aldrich Plan

St. Louis, January 26.—C. H. Huttig, president of the Third National of this city, says of Senator Aldrich's plan of banking reform: "I approve of the Aldrich plan, and believe it to be thoroughly practicable. The mode of electing directors of the bank would give the entire country proper representation and the general features of the bill are such as to preclude either political or Wall Street control. The plan is admirable in this respect, and should meet the approval of both parties and be put through congress on a non-partisan basis."

John J. Mitchell in Boston

John J. Mitchell, president of the Illinois Trust, has been in Boston for a couple of days.

President and Ex-President Alabama Bankers



FRANK D. MOODY
Tuscaloosa, Ala.

Elected president of Alabama Bankers at Montgomery convention. Has been vice-president.



W. L. LANCASTER
Wetumka, Ala.

Retiring president who delivered an able address at Montgomery meeting.

The Year of Readjustment

Continental and Commercial National, Chicago, has issued a circular news letter reviewing the "chief events in the history of an extraordinary twelve month period—What happened in trade, finance, and politics—Important movements in the Markets of Europe and America—What the liquidation has done for the markets." The text is down to date of December 27th last and those who desire to study it can have a copy on request.

Addison Corneau

Property valued at approximately \$3,000,000, the site of the terminal of the Chicago and Western Indiana Railroad, in the vicinity of State and Polk streets, was conveyed this week by Addison Corneau to the Western Trust and Savings Bank of which he is an officer. The property has been acquired piece by piece for more than a year past, and consists of twenty-seven parcels in two deeds comprising 852 feet of frontage. The property was valued by the board of review at \$1,366,495. It is subject to an incumbrance of \$244,884.

Lampert to Get New Post

When Fort Dearborn National organizes its trust department Nelson N. Lampert will become president of the new concern, retaining also his present position of vice-president.

Sees Good Times

J. Hugh Powers, manager of Mercantile Trust Company's bond department, was a St. Louis visitor at LaSalle Street National Tuesday. Mr. Powers reports an active bond business and an improvement in the money market. He says general trade is fully up to expectations all over the Southwest and a satisfactory year's business seems to be assured.

H. M. Whitney Head of Bank

Boston, January 24.—At the annual meeting of the stockholders of the Boulevard Trust Company of Brookline, Henry M. Whitney was elected president of the bank. The other officers elected are: First vice-president, Frank A. Russell; second vice-president, William A. McKenney; treasurer, George M. J. Bates, and actuary, Roswell C. Downer. The directors are the same as last year with the addition of Mr. Whitney.

Jail for Bank Manager

Toronto, Ont., January 24.—W. R. Travers, former manager of the Farmers' Bank, who pleaded guilty to larceny of \$40,000 from the bank, falsifying government returns and altering a note, was sentenced to six years in Kingston penitentiary.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$9,500,000

Officers

GEORGE M. REYNOLDS - President
RALPH VAN VECHTEN - Vice-President
ALEX. ROBERTSON - Vice-President
HERMAN WALDECK - Vice-President
JOHN C. CRAFT - Vice-President
JAMES R. CHAPMAN - Vice-President
WM. T. BRUCKNER - Vice-President
WM. G. SCHROEDER - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - Cashier
FRANK H. ELMORE - Assistant Cashier
HARVEY C. VERNON - Assistant Cashier
GEO. B. SMITH - Assistant Cashier
WILBER HATTERY - Assistant Cashier
H. ERSKINE SMITH - Assistant Cashier
JOHN R. WASHBURN - Assistant Cashier
RALPH C. WILSON - Assistant Cashier
WILSON W. LAMPERT - Assistant Cashier
DAN NORMAN - Assistant Cashier
FRANK L. SHEPARD - Auditor
H. LAWTON - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000 **TRUST, SAVINGS AND BOND DEPARTMENTS** **Surplus \$500,000**
Corner Monroe and Clark Streets

Officers

JOHN JAY ABBOTT, Vice-President GEORGE M. REYNOLDS, President FRANK H. JONES, Secretary
CHARLES C. WILLSON, Cashier WM. P. KOPF, Assistant Secretary

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

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ESTABLISHED 1873

Capital, - \$1,250,000
Deposits, \$10,000,000

Thoroughly equipped to handle all business pertaining to banking and invites the accounts of banks, corporations, firms and individuals

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LLOYD R. STEERE, Asst. Secretary LOUIS H. SCHROEDER, Mgr. Bond Dept.
J. J. RAHLF, Mgr. Foreign Exchange Dept.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

WM. A. TILDEN, Vice-President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
M. F. RITTENHOUSE
L. B. PATTERSON
WM. A. TILDEN
R. T. FORBES



Mainly About Banks and Bankers

EXECUTIVE Council meeting for the big A. B. A. has been called for Nashville, May 1st, 2d and 3d. This announcement inadvertently was crowded out of last week's issue, but already plans have been laid for a snug little special train from Chicago to carry all those who can come through Chicago. You remember the fifty-two choice spirits who went to the Atlantic City meeting last year in a Pennsylvania special. This will be just as carefully planned and carried out.

PRESIDENT WATTS has been planning for this meeting and promises his friends on the council a fine time. There is a possibility that he will ask them to get in on Sunday morning, so as to include some out-door entertainment, Nashville being well on its way toward summer in May.

SESSIONS will cover the immense amount of new business under way in the council. Committee meetings will be held on Monday, May 1st, and the council meetings on Tuesday and Wednesday, May 2d and 3d. The arrangement of all details for these meetings was left with President Watts and General Secretary Farnsworth with power.

ALL of this was planned by the administrative committee of the association, comprised of the executive officers which met in New York January 16th and 17th. Their deliberations were largely on routine business matters. While some consideration was given to the next meeting place of the association, invitations having been received from San Antonio, New Orleans, Richmond and Atlantic City, the committee did not decide what recommendation it will make to the council in May. That matter will be decided at Nashville.

HOOPES of Texas claims San Antonio has it in a walk and a strong Texas lobby, including a lot of ex-Texans from Chicago and St. Louis, who favor the home state. Chicago has two or three assistant boomers who are advising their friends to "make reservations at San Antonio as a straight tip from me."

M. E. AILES, of Washington, D. C., has been appointed a delegate from the A. B. A. to attend the conference of the Pan American Union to be held in Washington during the week of February 13th.

YOU can have the "Aldrich plan" substantially as printed in last week's CHICAGO BANKER, but in a neat pamphlet form by addressing the National Monetary Commission at Washington

W. L. PARKS, cashier of the LaSalle National of LaSalle, Ill., tops his list of "principal correspondents" with First National Chicago and Continental and Commercial National, Chicago. Not a bad point to make on a statement folder either.

CORN EXCHANGE, Chicago, uses corn color in its paper stock for statements. Corn Exchange of Philadelphia uses for a trade mark an ear of corn, beautifully engraved.

TEXAS is the only state in the Union of such size that bankers in the various large financial centers find it necessary to occasionally charter a special train and spend a week on the road in order to visit their patrons and correspondents. Houston bankers will on January 22d board a private car and will spend four days visiting the cities and towns of South Texas which lie in what is designated as the Houston territory, the tour extending over the Gulf Coast country from Houston to Brownsville. The rapid agricultural development of the past two years and the opening of new banks as well as the creation of new channels for investment and loans have prompted this chartering of the "Houston Bankers' Special." Sixteen bankers and representatives of local trust companies will make the trip.

THE past year has been a very prosperous one for the Houston banks, the deposits for the year ending January 1, 1911, totalling \$33,568,267. Houston expended \$3,649,495 in new buildings last year and the real estate transactions in city and county totaled \$22,083,814. On January 10th, the people of that city voted favorably upon a bond issue of \$1,250,000, which is to be added to a like sum appropriated by the Federal government last February for the purpose of completing the Houston ship channel from its present depth of 18 feet to a minimum depth of 25 feet. The bankers of Houston predict for the city and that section a great era of prosperity and large capital will be invested in many enterprises that have been dormant, pending this final step toward the completion of the waterway which linked with Houston's seventeen railways renders it the leading inland port of the Southwest.

ILLINOIS TRUST, Chicago, in its statement folder includes a handy interest table for increasing the savings thrift of its 75,000 depositors, and publishes as proud a list of stockholders as any "doubting Thomas" could require.

NORTHWESTERN NATIONAL, Minneapolis, in its letter says: In the Twin Cities, trade at the close of the year compared quite favorably with a year ago, but owing to the poor crop in the Northwest and more particularly in North Dakota, banks having a large country correspondence show smaller deposits than last year and have been called upon to an unusual extent for assistance by bankers in the affected territory. Local rates for some time have averaged from one-half to one per cent higher than in financial centers further East. A slight sagging tendency developed at the end of the year.

E. C. STUART, who travels out for the Third National, St. Louis, will be authorized to affix a. c. after his name this year. He was promoted on merit.

FIRST NATIONAL AND FIRST TRUST, R. T. Forbes, president, St. Joseph, Mo., shows deposits of \$4,723,612.40. Pays 4% for savings.

MOSTLY the Chicago bankers pleaded for time to think it over when asked for their opinions on the Aldrich plan. That's just what it requires, and plenty of it.

MR. REYNOLDS did say that "with such an organization of the banks as the plan provides for there will be eventually such a distribution of credit that the large centers will not have the dominating influence they now have, and with the plan put in full working order the probability of severe financial stress seems to be fairly eliminated.

WHAT Mr. Forgan said in part, was that: "The foundation principles on which it is based are the confederation of the national banks and the concentration of their cash reserves. The lack of these in our present system constitutes its greatest weakness and the plan proposed by Senator Aldrich, recognizing this weakness, evolves a method by which it can be overcome."

I HAVEN'T had an opportunity to digest Senator Aldrich's plan thoroughly," said Ernest A. Hamill, president of the Corn Exchange National. "The establishment of a reserve association such as it proposed is a big proposition. But insofar as the plan proposes a system of note issue somewhat along the lines of the issuance of clearing house certificates, as was done in the large cities during the financial stringency three years ago, I regard it with favor."

IT IS a large proposal and one I should not want to comment on until I can make myself thoroughly familiar with its details, as well as the general outline," said John J. Mitchell, president of the Illinois Trust and Savings Company. "I shall study it over with considerable interest at the earliest opportunity."

I CANNOT give an opinion on the practicability of Senator Aldrich's plan," said Orson Smith, president of the Merchants' Loan and Trust Company. "It is too momentous to be discussed without thorough study, and even then I don't know that I would want to express an opinion."

E. J. PARKER, president of the famous State Savings, Loan and Trust Co. of Quincy, reported to his annual meeting that "it has not been necessary this year to charge up anything to profit and loss." The board was increased in number and the old officials reappointed. Deposits are close to five millions.

IN three years the Northwestern State and National banks of Birmingham, Wash., combined, show an increase in deposits from \$257,000 in 1908 to \$874,691 in 1911. The officers are the same in both banks. I. J. Adair is president, C. K. McMillan and B. T. Drake are cashiers.

THIRD NATIONAL, St. Louis, reports \$33,602,033.09, and keeps putting on speed. **M**ECHANICS-AMERICAN, St. Louis, shows \$32,660,347.41. Capital and surplus runs to \$5,000,000.

(Continued on page 31)



COLONIAL TRUST AND SAVINGS BANK

205 La Salle Street, CHICAGO

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Capital, Surplus and Profits
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CHICAGO

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Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

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THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

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CAPITAL : \$3,000,000.00
SURPLUS : \$5,000,000.00
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In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

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Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

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Capital, \$1,500,000 Surplus, \$1,500,000

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152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

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CHARLES T. BOYNTON, Pickands, Brown & Co.	GEO. F. STEELE, Nekoosa-Edwards Paper Co.
ALEXANDER H. REVELL, President Alexander H. Revell & Company	JULIUS KRUTTSCHNITT
	CHARLES G. DAWES, ex-Comptroller of the Currency

The Quincy Plan

The Clearing House and the Chamber of Commerce, Quincy, Illinois, have a plan of their own which is the natural answer to "How do you like the Aldrich plan?"

Quincy, Ill., January 23.—When the Quincy, Ill., bankers received a letter from Secretary Crampton, of the Illinois Bankers Association calling their attention to the Aldrich plan and inquiring how they liked it, they merely pointed to the "Quincy plan" as prepared by the renowned economist and banker, E. J. Parker and a joint committee of which he was chairman. The committees represented the clearing house and the chamber of commerce and their plan was formulated in reply to a request for their opinion sent out by the National Board of Trade. It expresses the views of the Sage of Quincy and his associates as follows:

To the National Board of Trade:

Gentlemen: The undersigned joint special committee representing the Quincy Chamber of Commerce and the Clearing House Association, Quincy, Illinois, appointed to consider and prepare a paper containing suggestions on the national monetary question, begs leave to report as follows:

The Honorable A. Piatt Andrew, assistant secretary of the treasury and special assistant of the National Monetary Commission, Washington, D. C., read a paper in November, 1910, before the American Academy of Political and Social Science. We state substantially a few points made in his paper.

"About three years ago most of us found ourselves in a country where business was conducted by curious methods. It was a large and prosperous country whose people had long prided themselves upon their achievements in business and upon the superiority of their commercial and financial equipment; yet, singularly enough, in all of the leading cities of the country coin and legally authorized currency circulated at a premium; while the usual means of payment were inconvertible notes issued without sanction of law, by banks, railroads, mining companies, firms, and many other organizations. Obligations were met by such issues and not cash—nothing like them seen in this or other countries. Twenty-five thousand banks suddenly curtailed the facilities which they usually extended to the public. These banks for the most part unrelated and independent of each other, and simultaneously engaged in a life and death struggle.

"Harvests were plentiful, yet dealers in produce were refused credit when it was indispensable.

"Railroads were burdened with idle cars, thousands of men were thrown out of employment, thousands of firms went into bankruptcy; trade came to a standstill; the credit system ceased to operate. This too in the United States—not in South America or Islands of the seas.

"In the panics of 1873 and 1893 banks suspended specie payments as well as in 1907, and inconvertible illegal paper money took the place of coin and legal tender.

"In Europe no such general collapse of credit and general suspension has ever taken place, except in times of revolution and war."

Bankers and banking associations have endeavored to change such menacing conditions; congress, however, has paid but very little attention to their suggestions. Political measures and tariff schedules have taken precedence, and currency reform movements have been set aside. As a result panics have come on, enormous losses have been sustained and foreign and domestic commerce have become disorganized and their development retarded. It is reported that Senator Aldrich put the losses in the panic of 1907 at two billion dollars.

At last congress has appointed a National Monetary Commission and a partial statement of their investigations has been printed in many books, which men in active business will have but little time to read. Much of foreign banking methods cannot be made applicable to our own country. It is well that the commission is authorized to take several years in making its investigations and final recommendations.

It is our opinion that the present congress should not attempt to pass a measure which, like the so-called Aldrich-Vreeland bill, will be inadequate to meet conditions which will recur under our present mixed, rigid and unscientific currency system.

Commercial bodies in the leading cities have been asked to submit to the meeting of the National Board of Trade to be held in Washington January 18th, suggestions as to the legislation needed to avert panics and such conditions and losses as have been hereinbefore mentioned.

The Aldrich-Vreeland bill has, at the suggestion and urgent solicitation of the Honorable Franklin MacVeagh, secretary of the treasury, brought into existence a small number of National Currency Associations comprising a comparatively small number of national banks. Such National Currency Associations do not even represent all the assets of national banks, to say nothing of the very large assets represented by state banks, trust companies and private banks comprised in our present clearing house associations, and the assets of many large banking institutions scattered over our great country, not now members of clearing house associations.

Many bankers cannot realize the amount of currency which is absorbed in the West and South during the crop moving period. We should avail ourselves of our full banking power to meet such situations, especially as state banks and trust companies, as well as private banking institutions are increasing more rapidly in number, capital and deposits than national banks. To illustrate, we make the following comparative statement of the number of deposits of state and national banks of North Dakota, South Dakota, Minnesota and Iowa for the past twelve years:

In 1898 those states had 780 state banks with \$90,823,000 in deposits. In 1909 they had gained 2,473 state banks and \$389,856,000 in deposits. In the same states the nationals

advanced from 288 to 824, a gain of only 536, or one third of the gain in state banks. The deposit gains about equaled the state bank gains.

On December 1, 1880, the deposits of national banks of the city of Chicago were \$44,634,000.

On December 31, 1908, they were \$378,197,678.

On December 31, 1891 (when the new State Banking Law was adopted) the deposits of the State Banks of the City of Chicago were \$44,442,399.

On December 31, 1908, they were \$362,165,080.

This we think will prove that the business of such sections of the country will require assistance and immediate relief through issues of clearing house associations and that they should not be compelled to rely solely upon the bond secured issues of national banks, which cannot respond to the business demands of the country; restricted, also, in using their reserves in times of stress; and whose currency issues are not retired when not needed—thus encouraging speculations, with the low rates of interest prevailing in congested centers.

Considering our vast and sparsely settled country; the great variety of climate, soil and seasons of production; traditional prejudice against government banks, and therefore against a great central bank, is there not something else to be considered? We think there is.

Congress should provide for the incorporation of clearing house associations under federal law, clothing them with larger authority than they can possess as private bodies; and give them the power of issuing clearing house notes, as well as clearing house certificates. Then the clearing houses would do legally, for the benefit of the community at large, what they now do in the issue of clearing house certificates extra legally and for their own benefit. (Chicago issued both clearing house notes, and clearing house certificates, in the panic of 1907, to the great advantage of all interests in this section of the country.)

This object might be attained by amending the Aldrich-Vreeland bill and giving to the currency associations therein provided for the additional powers necessary to enable them to act as clearing houses. Membership in such associations should be enlarged to include state banks which should be required to carry reserves on demand deposits equal to those required in the national banking act of the various classes of national banks.

This would prevent what we have at present, namely, the centralization and congestion of money in commercial centers, and speculation as an inevitable consequence. As things are now we contract credits instead of expanding them in times of great financial revulsion. This is precisely what we could avoid by issue of clearing house notes as well as clearing house certificates. Thus interest rates would be

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Travelers' Checks

in denominations of \$10, \$20, \$50 and \$100

Letters of Credit

in Pounds Sterling, Dollars, Marks and Francs

Furnished to Banks and Bankers for direct sale to Travelers

I N V E S T M E N T S E C U R I T I E S

more uniform in all sections, and ample preparation could be made for the issue of currency based upon the assets and joint guaranty of clearing house members. Situations in the movement of crops of other unusual or extraordinary emergencies could be anticipated. Such clearing house issues, based only upon business transactions, could be made to operate immediately and automatically, that is to say, furnished when needed, and retired and redeemed when not required.

How slow, expensive and ineffectual a method of obtaining circulation would it be, for individual banks in every section of the country to send securities to a central eastern point to be used as a basis for currency issues.

Instead of such a bungling method, clearing house committees—in all sections of the country—could daily, and hourly, if necessary, pass upon the value of the assets of bank members (chiefly commercial paper, bonds, mortgages) as a basis for credit and note circulation. There is too much pyramiding of deposits in financial centers. Banks should have more gold and currency available in their vaults. If we are to have but one issue, secured by gold and a deposit of bank assets as security, to be periodically redeemed as were the note issues of the New England banks through the Suffolk Bank, Boston, and without loss; then it would seem with our vast extent of territory that federal clearing house associations, combining practically all the banking powers of the several states and territories and banking experience of practical men; entirely disassociated from political parties, could more readily and safely put out circulating notes, to both national and state banks, under limitations, as to the amount to be issued, and provision made for their redemption—than a so-called central bank not centrally located.

Central and government banks in England and on the continent have world wide business connections and fix rates of interest; we have not even developed banking relations on the western continent, nor in the orient.

Clearing house associations originally organized to facilitate daily settlements between banks in times of financial disturbances, might gradually be developed to enter these fields also. If the system of the subtreasury were changed they could secure the deposit of government revenues in the banks. Ultimately the demand issues of the government might be retired through their agency. Clearing house associations even now gradually are developing many other most important banking functions, to wit:

A—The installation of a system for the collection of country items. The first step in this direction was taken by Boston, and the example was soon followed by other clearing house associations with satisfactory results.

B—The introduction of a clearing house examiner, with power to examine, and without notice, the condition of its members. This movement was first taken up by Chicago and later followed in other centers.

C—The systematic investigation of commercial credits is another developing feature in

the banking world. The co-operation of individual banks with the examiners of local clearing house associations, as well as the interchange of credit information between the clearing house associations of the different cities, will come in time, and greatly minimize, if not almost completely prevent losses, many times occasioned by the lack of information regarding the condition of borrowers.

The New York Clearing House Association issued certificates in as many as eight panics as follows:

In 1860, \$7,357,000; 1861, \$22,585,000; 1863, 11,471,000; 1864, \$17,725,000; 1873, \$22,400,000; 1884, \$25,000,000; 1890, \$16,000,000; 1893, \$41,500,000.

Although an attempt was made in 1907 to handle the situation without the assistance of clearing house certificates, the New York Clearing House finally issued a large amount of them. In almost every instance the clearing house certificates were retired within four months after their issue.

Rate Decision is Deferred

News that the Interstate Commerce Commission had requested a postponement of the higher freight rates of the Western railroads until March 15th caused no surprise, as it had been expected generally in view of similar action by the commission in regard to the Eastern rates.

Profit in Northwestern Bonds

Those who subscribed to the \$15,000,000 Chicago and Northwestern Railway general 4s, sold in December at 99, the same price at which \$6,000,000 Delaware and Hudson 4s have just been placed, sold their bonds at a profit of better than one point in some cases.

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Banking Opinion

"The money market is steady and the volume of bank transactions is increasing," said W. C. Cook, vice-president of Western Trust and Savings Bank, Wednesday.

"There is not much Western money in railroad stocks, and that explains in a measure the easy tone of the financial market here. Capital is being employed liberally in real estate as well as in manufacturing and jobbing, and the only unusual thing is the lack of investment in stocks.

"I am satisfied there will be a lively stock market as soon as the rate cases are decided. Naturally the market will boom if the decisions are favorable to the railroads. There may be a bad slump if the result is unfavorable to the companies. In either event there must be greater activity and that would mean more use for money. I am not advising speculation, but merely describing the money situation. Things are about normal in other lines.

"Merchants are prosperous, as their sales and collections indicate. Matters are less strained in the country. Farmers are selling their produce and liquidating their accounts. I am told that there will be a large acreage of grain and cotton again. It is reasonable to look for a bigger wheat crop than was harvested last season. All those things mean trade expansion and improvement, with a legitimate demand for capital at good rates. The tone of business has improved since New Year's so far as the West is concerned.

"Money has become easier in New York, while it has firmed up a little in Chicago. A rate decision favorable to the railroads would start business humming in the East. Bond activity in the local market has kept up. Sales are numerous in the line of gilt-edged securities. Perhaps they are better than they will be after the speculative markets become more lively. Real estate loans in this market are made on a 5 per cent basis. Money on call can be had around 4 to 4½ per cent. The general run of mercantile loans are 5 to 5½ per cent.

Another Security Bank

Stockholders of the Security Bank will vote shortly on a proposition to authorize an increase of \$100,000 in the capital, the new stock to be sold at \$200 a share. This will give the bank \$400,000 capital and a surplus of about \$250,000. It is understood to be part of the plan to declare a dividend of 50 per cent on the increased capital, the \$200,000 thus produced to be used as the capital stock of a new bank, to be known as the Second Security Bank and located further out on Milwaukee avenue.

Philadelphia Clearing House Association

At the annual meeting of the Clearing House Association, Francisco B. Reeves, president of the Girard National Bank, was re-elected president of the association, and John C. Boyd, secretary.

ILLINOIS BANKING NEWS

By C. C. Burford

During the past three or four weeks an enormous amount of corn has been sold throughout the state. The hope of farmers embraced in the remark, "I'm waiting for forty cents," a remark which bankers had learned to expect from their agricultural patrons, became a reality. Corn did go to 40 cents and at some points touched 41 cents. As a result of this advance in prices a deluge of corn was thrown upon the market. Many way-stations bought more corn in a day or two than they had purchased in many days before. One of the smaller counties in the heart of the corn belt placed a million bushels of corn upon the market which means at forty cents a bushel that \$400,000 would find its way into that county as soon as the corn was in the hands of the dealers. And a country newspaper in that small county remarked that this sum placed in the hands of farmers and merchants will help "to relieve the pressure." Surely the enormous sales of corn since the market "went up" will help to make farmers and bankers "easier" than they were when corn was being held for the most part.

New Bank at Ramsey

The New State Bank of Ramsey, near Vandalia, has opened for business. H. L. Hunt is president, S. C. Morrison is vice-president, and H. L. Haynes is cashier. This is the second bank for Ramsey, the other being the Fayette County Bank.

Joseph G. Cannon Buys Bank Stock

A change in the directorate of the Second National of Danville has increased the share holdings of "Uncle Joe" Cannon in that institution. Orville W. Cannon, a director in the bank since the death of the late William P. Cannon, his father, who was the founder of the bank, resigned his office and placed his stock on the market for sale. President Michael E. King took up the shares and divided them between himself and the Danville congressman. This transfer makes President King and "Uncle Joe" owners of all of the thousand shares of the bank excepting about one hundred. They are now equal share holders. The Second National is a highly prosperous bank with the largest deposits of the six banks of Danville. As "Uncle Joe" is a director and a stockholder in the First National of Tuscola, where he spent his "starving days" as a young attorney, he is closely identified with the banking interests of Illinois.

Bloomington may Have New Bank

A new bank may be established in Bloomington as the result of the consolidation of the First and Third Nationals of that city. The Bloomington Pantagraph does not mention any names in connection with the new bank proposal but states that there are strong probabilities of the new movement being a success. It is said that some of the stockholders of the consolidated banks are dissatisfied with the movement. A meeting of those interested in the new project is to be held at an early date.

Report of State Banks

The report of State Auditor McCullough on the condition of the 518 state banks in Illinois at the commencement of business on January 9th, gives their total capital, surplus, contin-

gent fund and undivided profits as \$103,684,862.

This is an increase since November 11, 1910, the date of the last report, of \$1,313,483. There were 505 state banks at the time this last report was made.

The total deposits, including the amount due to banks, is \$574,344,266, an increase of \$22,972,713. The per cent of reserve to deposits is 27.14.

Savings deposits, subject to notice, total \$236,001,799, an increase of \$6,874,483. Time certificate deposits aggregate \$54,214,841 and demand deposits subject to check amount to \$222,402,908.

The total loans on real estate amount to \$73,161,982; on collateral security, \$190,377,925. Other loans and discounts make a total of \$144,020,203.

Bloomington Banker Stricken

A. B. Hoblit, cashier of the State National of Bloomington, is critically ill at his home in that city. He suffers from a stroke of apoplexy which prostrated him as he was returning to the bank after lunch a few days ago.

From the Frying Pan into the Fire

After being released from the Peoria county jail and giving bonds for \$1,500, E. W. Butler, the banker of Ellisville fame, was immediately re-arrested and placed in the Fulton county jail in Lewiston. The way of the transgressor is not any easier than it was in the days of the Biblical writer.

Edward Hight, who recently failed at Macon, is conspicuous by his absence. He was last seen in Decatur January 6th. His case is now before the Macon county grand jury and a criminal charge of receiving deposits after he knew that his bank was insolvent may be preferred against him.

St. Louis Capital Buys I. T. S. Stock

The Illinois Traction System has sold about \$900,000 of its stocks and bonds to investors in St. Louis. A syndicate was established in St. Louis recently by John Nickerson, Jr., of that city and W. G. Browne of Montreal for

the disposition of \$500,000 of the preferred stock of the I. T. S., or the "McKinley lines." This venture was a success and together with the stock already held in St. Louis brings the total of McKinley securities in that city up to almost a million dollars. Much of this preferred stock was held in Montreal from whence has come most of the funds used in the building of the Illinois Traction System. The McKinley people have sold this stock to St. Louis people as a first step in the listing of their securities on the St. Louis Stock Exchange.

Illinois Notes

Two new presidents of Illinois banks are E. R. White, of the Neoga National of Neoga, Cumberland county, and George Trenchard, of the First National of DeLand, Piatt county.

M. W. Busey, president of Busey's Bank of Urbana, is recuperating at West Baden Springs, Indiana. Mr. Busey has been in the banking business in Urbana for thirty-five years and during all of these years has not absented himself from the bank longer than five weeks at a time. He is known as one of the most careful and conservative private bankers in the state.

J. E. Amerman is the new cashier of the First National of Stronghurst, near Monmouth. Mr. Amerman is at the present time treasurer of Henderson county. Former cashier Elmer Taylor is removing to California.

A new state bank will be established at Danvers, McLean county, and will be known as the Danvers Farmers' State Bank. It will be capitalized at \$40,000 and the stock will be distributed so that no one person will own more than ten shares. The men back of the movement are among the best in the vicinity of Danvers.

The will of the late Samuel Woolner, millionaire distiller and financier and a director of Peoria and Chicago banks, has been filed for probate at Peoria. Jewish orphanages and hospitals in Cleveland, Cincinnati and Denver are remembered while the bulk of the estate goes to immediate relatives.

Principal George R. Ray of the Elroy, Wis., public schools has instituted a savings bank in the local schools which bids fair to promote the habit of thrift among the pupils.

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Money, Banking and Finance from Chicago Viewpoint

Those western financiers and speculators who acted on the straight tips given out last fall with respect to steel securities have had a prosperous season. There was a lively upward move in many speculative stocks during October. A money stringency late in the year, together with pessimistic railroad talk, caused a weak stock market, and steel remained a leader, whether going up or down.

Since the beginning of the new year money has been remarkably easy and stocks and bonds have had some advantage on this account. Another factor in the market has been the large holdings by bankers, both East and West, who got into the game when the Pearson syndicate collapsed. It was to the interest of banks to take over a large portion of this syndicate's collateral. Otherwise there would have been a general smash among the speculative element. The bankers have been liberally paid for their part in the operations and the knowledge that strong financiers who are not speculators in the ordinary sense were interested in stocks has kept many others on the bull side, despite Mr Hill's gloomy predictions.

Big Profits for Holders

There was an advance of seven points in steel during the first half of the present month and on this turn there were vast profits for the speculative field. Several of the western contingent made money fast on the last rise, getting in and out of the market from day to day and pocketing their earnings. They knew that so long as the bankers were holding the market the bull side was safe. This situation continues to this day, but with the advance many of the most sagacious men operating in steel have unloaded. The best advice that brokers are able to give at present is to sell on all two-day bulges and buy whenever there is a positive break.

Bankers as well as brokers feel that they are pretty near the top and that nothing short of

an early decision by the Interstate Commerce Commission in favor of the railroads can enable them to hold securities on the present level. Since the first of the week there has been quiet unloading by a number of western people. In fact the market has had its main support in the concerted action of those who have agreed to remain on the holding side until the end of this month or until all complications connected with the Pearson deal are adjusted.

Easy Money a Market Factor

Since the end of the monetary stringency came in December stocks have been helped by the easy condition of the financial market. The fact has long been recognized in speculation that cheap money helps the security market. When capital is not actively employed in mercantile and manufacturing lines it turns naturally to bonds and stocks. By this reasoning a good many operators foretell a strong stock market all winter, for there is a prospect of a comfortable money market right up to crop moving time next summer.

While real estate is active, particularly in Chicago, there is nothing in the building program to seriously affect discount rates at the banks. Banking funds are in a large measure disassociated from real estate projects. To liven up the money market a large movement of merchandise, a demand for railroad supplies and a call for crop moving funds are essential. Money rates are steady but there is still an unusual amount of idle capital awaiting the spring's developments and stocks are being helped thereby. Taking all these considerations together an interesting speculative situation results. Another train of argument is to the effect that stocks will be pretty apt to boom again in the spring when railroad business is heavier than at present and after the Interstate Commerce Commission has lifted the uncertainty regarding rates.

Every market has its bull crowd—men who

never see the top—and these speculators at present believe that the support which the market is getting from bankers and the coming improvement in general business will keep things humming for months to come, especially if the rate decision be favorable to the corporations.

Structural Iron is Active

Western orders for structural iron and building hardware have rapidly increased since the beginning of the year. Real estate development is more noticeable in the West than in the East. The many large projects in Chicago have been a source of animation in the market.

There are some fairly good-sized contracts for rail orders in the market which are expected to be placed within a short time. Negotiations are still pending regarding the Pennsylvania and the New York Central requirements, but it is expected that a final decision will be arrived at within a short time. The New Haven Railroad may close a contract soon for 20,000 tons of rails, and the Boston & Maine is in the market for 30,000 tons. The Chesapeake & Ohio Railroad has ordered 3,000 tons of heavy section rails from the Pennsylvania Steel Co., and is said to have asked bids for 10,000 tons additional.

Quite a few orders for bridge and pier work are in the market. The Pennsylvania Steel Co. will furnish 150 tons for an overhead bridge in Baltimore for the Pennsylvania Railroad and another bridge contract in the same city for 1,500 tons.

The Oregon Railroad & Navigation Co. has placed a contract for the Willamette River bridge with the American Bridge Co., calling for 9,000 tons.

Higher Prices Expected for Cattle

There is encouragement for farmers if not for consumers of beef in the prospect of higher

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prices for cattle in the near future. Interior bankers say that the cattle business has been far from satisfactory to farmers and those whose interests are identified with theirs. The high price of meat in recent years has not to any great extent represented profits for first owners, but rather for feeders, packers and butchers. The man who raises the animal and bears the heaviest risk in getting him to market is the poorest paid of all who have anything to do with the business. This claim is made in good faith by cattle raisers and is supported by bankers who have close relation with farming.

According to this opinion the farmer must get more for cattle or quit this branch of his business. That many land owners are curtailing the production of live stock for the reason outlined can be officially demonstrated. Estimates of the department of agriculture show that the production of beef cattle has not kept pace with the growth of the population, and although the census statistics are not yet available it is certain that even the department's estimates are decidedly too high. In Iowa, for example, for which the census figures are available the total number of neat cattle falls 1,000,000 short of the estimate—a discrepancy of 25 per cent.

No Further Decline Likely

Despite these conditions, corn-fed steers are from a cent and one-half to a cent and three-quarters cheaper than they were a year ago. While conditions may be satisfactory to the consumer, they are decidedly unsatisfactory to the farmer, and as long as they remain so the decrease in the supply of cattle will continue. But already there are indications that the bottom has been reached and that in the not very distant future the price of beef cattle will advance.

The comparatively low price of corn does not explain why beef should be so low. The simple truth is that in recent manipulation of the market stock raisers have had the worst of it. The price of beef cattle to first owners has for years been below the cost of production,

and the farmer has had every incentive to give up cattle raising and to sell his grain. The short pasturage in the corn belt and the rapid disappearance of the range, accentuated the past season by the drouth, have accelerated the movement, and during the last year young cattle, breeding cattle and half-fattened bullocks have been sent to the shambles.

Buyers and packers have continued to make fair profits from beef, for while retail prices have been somewhat reduced the cut has come on the farmer and not on the middleman.

Busy Yeggs

From the accounts in the local press of the Middle West it is noted that the "Yegg" burglars have been very busy since what is known as the "Yegg" season opened, which is about September 1st of each year. Of all the burglaries and hold-ups in the states where the "Yegg" burglars have been operating very extensively since September 1, 1910, namely; Iowa, Kansas, Missouri and Oklahoma, none of the above crimes have been committed on a member of the American Bankers Association, or even an attempt made since the date above mentioned, which covers a period of over four months. It can readily be seen that the "Yeggs" avoid members of that association, for they know that the sign of the American Bankers Association stands for money, and if they attack any of the members of that association, they will be vigorously pursued until they are apprehended, regardless of the cost.

The following is a copy of a letter recently received by the American Bankers Association from one of its members in the state of Kansas, which speaks for itself:

"We wish to say that two or three banks at this place were robbed last Friday night and our safe was not touched. We believe we owe our escape from attack to protection of the American Bankers Association."

Trade Improving

Marshall Field & Co. in their weekly review of the dry goods trade say:

"Wholesale operation in the dry goods and notions during the week have shown activity in the large volume of orders for immediate delivery. Retailers, who have been buying conservatively, find that their stocks are low and the demand on the part of consumers continues so heavy that they are compelled to do an extensive filling in business.

"Large numbers of Pacific coast and intermountain merchants have been in the market placing orders for both immediate and future shipments. One Western man, characteristic of many from that region, reports a 22 per cent increase in his business during January up to date over the corresponding period a year ago.

"Merchants, alive to market conditions, realize that linens can be purchased now cheaper than they can be six months hence, and are placing large orders for general lines, such as crashes, damasks, toweling, etc. The shortage of last year's flax crop may possibly mean a scarcity in these lines before long."

Valentine P. Snyder Resigns as President

Valentine P. Snyder, president of the National Bank of Commerce, announced his determination to retire after more than forty years of continuous service in the banking field of New York. President Snyder has had it in mind for several years past to give up active work, and retained the presidency of the National Bank of Commerce during the last year only at the solicitation of the board of directors. The board accepted his resignation to become effective April 1st, and passed resolutions extolling his services, saying that during the entire period of his presidency the bank had in volume of business been second to only one other in this country, and "in point of character second to none."

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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Patrick Cudahy

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Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 100,000

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FRED. C. BEST, Secretary

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Since the first of the year business in Milwaukee has shown signs of considerable improvement as indicated by bank deposits and the daily clearings which have held well up to normal. Where a few months ago there were numbers of rumors concerning the closing down of some of the larger manufacturers in the spring there now appears to be a more optimistic trend and the number of idle men will not amount to more than usual at this time of the year.

Demand for loans is not above normal and banks generally report collections as fair. In the bond trade there has been considerable awakening and a number of large sales are reported while the general small trade is well up to the average.

First Savings and Trust Company

The organization of the First Savings and Trust Company, successor to the Milwaukee Trust Company and the Fidelity Trust Company of Milwaukee, both of which were taken over recently by the First National Bank, was completed at a meeting of the stockholders held January 23d.

The old officers of the Milwaukee Trust Company were elected as officers of the First Savings and Trust Company and Charles P. Wild, of the law firm of Winkler, Flanders, Bottum Fawcett, was elected trust officer.

The following new directors were elected: Charles F. Pfister and William Bigelow of the First National Bank and Howard Greene and Ludington Patton, formerly of the Fidelity



EDWIN C. KNOERNSCHILD
Cashier Merchants and Manufacturers Bank, Milwaukee

Trust Company. The complete list of officers and directors is as follows: President, Robert Camp; vice-president, Charles Allis; vice-president and treasurer, David C. Green; secretary, Scranton Stockdale; assistant secretary, P. O. Kannenberg; trust officer, Charles E. Wild;

manager of bond department, N. D. Jay, and directors, Robert Camp, D. C. Green, Charles Allis, John I. Beggs, Fred T. Goll, George P. Mayer, Fred Vogel, Jr., Charles F. Pfister, William Bigelow, Howard Greene and Ludington Patton.

The company will continue the business of the Milwaukee Trust Company and of the Fidelity Trust Company under the new name but under different stock ownership. The First National Bank owns the stock of the First Savings and Trust Company and in due course of time will turn it over to the stockholders of the bank under a trust arrangement. Under this arrangement the trust company stock will belong to the bank stock but will not be transferable separately. By this plan of stock ownership the control of the trust company will always vest in the stockholders of the bank.

Kenosha Banker Succeeds Bergh

A. E. Kuolt of Kenosha is named as banking commissioner to succeed M. C. Bergh. The nomination of Mr. Kuolt to succeed Commissioner Bergh was somewhat of a surprise though for some time there have been vague whisperings that the transmutation of politics might thus eventuate. Mr. Bergh was first appointed when J. O. Davidson was state treasurer and when the law was changed he was reappointed by Governor La Follette.

A. E. Kuolt is well known in Madison official circles, having been employed in various capacities during the Upham term. For a time he held a clerical position in the office of Sec-



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S. H. MARSHALL	J. H. TWEEDY, Jr.
R. N. McMYNN	GUSTAV REUSS C. C. YAWKEY

retary of State Henry Casson. He then went into the insurance commissioner's office under Commissioner Fricke and afterward became associated with Commissioner Bergh as one of the deputy bank examiners. He resigned this position about four years ago to become cashier of the Merchants and Savings Bank of Kenosha.

In an open letter to the Milwaukee Sentinel, George D. Bartlett, secretary of the Wisconsin Bankers Association, has the following to say concerning Mr. Bergh's tenure of office:

"Those who have been familiar with banking legislation in Wisconsin have long known that Commissioner Bergh has remained in that office for some time at a financial loss to himself, as compared with other positions he might have had, and it was largely because his office was not considered a political one that he has been willing to give so much of his energy and study to perfecting the Wisconsin banking laws in a way that would give depositors in Wisconsin banks the greatest possible safety. That he has succeeded is evidenced by the fact that no depositor in a state bank of Wisconsin has lost a dollar through bank failures in the last five years, a record which should be given some considerable weight before attempting to change bank commissioners."

Annual State Convention in July

The annual state convention of the Wisconsin Bankers Association has been set for about July 20th, the exact date to be later announced. This date, so far as other schedules have been announced will not conflict with other state conventions and will give the various groups of Wisconsin an opportunity to hold their annual meetings before the state meeting.

\$2,000,000 in New Buildings

There will be about \$2,000,000 invested in new bank buildings in Milwaukee in the next two years if plans under way are carried out. The plans for the new Marshall & Ilsley bank building are nearing completion and while no statement has as yet been made as to the cost of the building it will undoubtedly be one of the finest structures in the middle west and for a long time to come will rank all other Milwaukee bank buildings.

The stockholders of the Second Ward Savings bank have approved the project to replace the present building and while definite plans have not been announced, President Uihlein is quoted as saying: "We will have sketches made and selections soon and we shall try to

erect a building that will be an ornament to the city. The new home of the Second Ward Savings Bank will probably not be more than one or two stories in height and it will be for the exclusive use of the bank. This bank is also erecting two modern branch bank buildings which will be ready for occupancy within a short time.

The First National Bank and the First Savings and Trust Company will also occupy a new home within the not distant future but the site has not as yet been fully decided upon. Options have been secured upon property about a block distant from the present site but it is thought by many that a new building will be erected upon the present site of the Milwaukee Trust Company, recently absorbed by the First National Bank as this is the logical location for the new building, all things being considered.

Some Needed Legislation

At the meeting of the executive council of the Wisconsin Bankers Association held at association headquarters during the past week considerable time was spent in discussing proposed bank legislation in this state.

One of the measures discussed was some method which would result in a decrease of forgeries in Wisconsin and to this end banks will probably be compelled by law to keep all blank checks off from counters or where the general public has ready access to them. Arrangements will also probably be made with some manufacturer of paper stock to produce a special paper suitable for checks, etc., bearing a watermark consisting of the now well known emblem of the triangle of the state association. This paper will be supplied to such printing firms as have the endorsement of the association and banks will have their checks printed by them.

Lombard is Re-elected President

J. W. P. Lombard, president of the National Exchange Bank, was re-elected president of the Milwaukee Clearing House Association at its annual meeting held during the past week. Other officers who were re-elected are as follows; Vice-president, James K. Ilsley, president of the Marshall & Ilsley Bank; manager, George W. Strohmeyer, president of the Milwaukee National Bank; clearing house committee, Frederick Kasten of the Wisconsin National Bank; William Bigelow of the First National Bank; Washington Becker of the Marine National Bank; Charles C. Schmidt of the

Second Ward Savings Bank, and Alfred G. Schultz of the Germania National Bank.

Oliver C. Fuller Enjoys New Distinction

Oliver C. Fuller, president of the Wisconsin Trust Company, enjoys the distinction of being the first Wisconsin golfer to be elected to an office in the Western Golfing Association, having been elected as treasurer for the ensuing year.

Mr. Fuller is one of the best known Milwaukee golfers and is the president of the Milwaukee Country Club.

Notes About the State

The Oshkosh Clearing House has elected the following officers for the ensuing year: President, Herman Eilers, cashier of the South Side Exchange Bank; vice-president, Charles Schriber, vice-president of the Old National Bank, and manager, C. H. Krippene, secretary of the Oshkosh Savings and Trust Company.

W. S. Henry, assistant cashier of the Farmers & Merchants Bank of Jefferson has resigned both as an officer and director and his position has been filled by the election of Lynn H. Smith as a director and W. A. Much and W. S. Kispert as assistant cashiers.

J. H. Taylor, vice-president of the McCartney National Bank, of Green Bay, his wife and daughter, have left on an extended tour of Europe and Mediterranean ports. They will remain away for four months.

Articles of incorporation of the Farmers State Bank, with Frank J. Beau, Otto J. Beau and Henry S. Beau, of Calvary Station have been filed. The new bank will be located at Calvary Station, Town of Marshfield, and capital stock of \$15,000, divided into 150 shares of \$100 each.

Changes in La Crosse Bank

A. Hirshheimer, president of the La Crosse Plow Company, has been advanced to president of the Batavian National at La Crosse, and Cashier E. M. Wing succeeds Mr. Hirshheimer as vice-president. John Bayer will be cashier. H. O. Klein becomes assistant cashier. Directors are M. Funk, F. A. Cope land, A. Hirshheimer, G. Van Steenwyk, E. T. Mueller, B. C. Smith, Otto Bosshard, A. G. Paul, E. M. Wing.

Bank Elections: Fergus Falls National Bank—J. S. Ulland, president; E. H. Rich, vice-president; F. J. Evans, cashier; H. J. Dahl, as-

We solicit accounts of banks and bankers and offer them our complete facilities for the handling of their out-of-town items



Capital
\$2,000,000
—
Surplus
\$2,000,000
—
Deposits
\$33,000,000

C. H. HUTTIG, President

W. B. WELLS, Vice-Pres.

G. W. GALBREATH, Cash.

J. R. COOKE, Asst. Cash.

D'A. P. COOKE, Asst. Cash.

R. S. HAWES, Asst. Cash.

H. HAILL, Asst. Cash.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

sistant cashier; T. N. McLean, F. E. Hodgson and E. H. Rich, directors.

First National Bank—C. D. Wright, president; F. G. Barrows, vice-president; E. A. Jewett, cashier; R. E. Lincoln, assistant cashier; Vernon A. Wright and Elmer E. Adams, directors.

Scandia State Bank—H. T. Hille, president; George H. Woodhouse, vice-president; A. G. Anderson, cashier; B. M. Lien, assistant cashier; K. H. Bergerud, J. O. Barke, O. H. Lee, Olaf Schei and K. K. Peterson, directors.

Trust Company Elects Officers

Officers of the Citizens Trust Company of Milwaukee were elected at the annual meeting as follows: President, T. J. Pereles; vice-president, Fred J. Schroeder; secretary, August Prinz; treasurer, Nathan Pereles, Jr. Jacob Wellauer was elected to act with the foregoing officers who are ex officio members of the board of directors.

Forgers Becoming Active

During the past few weeks there appears to have been an epidemic of check forgers and swindlers throughout the state and as yet most of these operators are at large. Walter Christianson was recently arrested at Racine for having uttered a forged check and presenting same at the Commercial & Savings Bank. He has since confessed to prior similar work. At Burlington, two men giving the names of Carswell and Lovejoy issued checks drawn on the German-American Bank of Milwaukee, which were returned marked "no funds." The two men are reported to have worked the same swindle at New London a few days before.

Is President of Waupun Bank

B. W. Davis, ex-treasurer of the Wisconsin Bankers Association, has so far recovered from his illness as to assume his bank duties again and has recently been promoted to the presidency of the National Bank of Waupun. Ben Kastein, former assistant cashier will now be come cashier.

Madison Banking News Items

The trust companies and most of the banks of Madison have held their annual meetings. Changes in officers and directors were made only where deaths have occurred during the past year. E. B. Steensland has succeeded his father, the late Halle Steensland, as president of the Savings Loan & Trust Company, and E. F. Riley was elected secretary in place of the

former. The other officers succeeded themselves.

The Central Wisconsin Trust Company closed a most prosperous year and re-elected its officers and directors as follows: President, L. M. Hanks; vice-president, Magnus Swenson; second vice-president, Judge John Barnes; secretary, B. J. Halligan; treasurer, F. M. Brown. Directors, President, Van Hise, A. E. Proudfoot, Judge A. L. Sanborn, Dean H. L. Russell, A. O. Fox, Rev. P. B. Knox, T. C. McCarthy, H. S. Johnson, J. M. Boyd, Judge E. Ray Stevens, D. C. Converse, Ft. Atkinson; H. D. Jamieson, Poynette; W. F. Pierstorff, Middleton; E. C. Lodge, Lake Mills; and T. R. Hefty, New Glarus.

At the Capital City Bank Dr. R. H. Jackson and Dr. J. A. Mack were elected directors in place of the late Col. A. H. Hollister and M. S. Klauber. The other directors succeed themselves. The officers are: President, J. W. Hobbins; vice-president, C. A. Johnson; cashier, J. W. Hobbins and assistant cashier, W. J. Hobbins.

New Bank at Thiensville

Commissioner of Banking M. C. Bergh, has issued a charter authorizing the Thiensville State Bank at Thiensville, Ozaukee county, capital \$16,000. John F. Neuman is president and D. M. Rosenheimer, cashier.

Jess Briegel Goes to Detroit

Jess Briegel, who for the past several months has been assistant manager of the bond department of the Milwaukee Trust Company, has accepted a similar position with the First National of Detroit and will enter upon his new duties immediately.

During his short residence in Milwaukee, Mr. Briegel has made a host of friends who wish him an exceedingly prosperous year in his new field.

Proposed Bond Issues

The City of Milwaukee proposes during 1911 to issue something like \$2,500,000 worth of new bonds as follows: Bath, (Shore Lake Michigan) \$10,000; Docking, dredging and harbor (for harbor improvement) \$40,000; Bridge (Oneida Street) \$125,000; School, \$470,000; Historical Museum, \$150,000; West Sewerage, \$100,000; South Sewerage, \$50,000; Permanent street improvements, \$420,000; Park bonds (interest and principal on land contracts) \$390,000; Electric light bonds, \$250,000; Refunding bonds, \$160,000. Total bond issue, \$2,165,000. Mortgage certificates (light plant) \$300,000.

New Bank in Waupaca

The Farmers State Bank at Waupaca opened for business on January 1st, with a capital of \$30,000. Its president is J. Rosholt; vice-president, K. Rosholt; cashier, N. J. Nyhus, and George Skinner, assistant cashier.

New State Bank at Kewaunee

Commissioner of Banking, M. C. Bergh, has approved the articles of incorporation of the Farmers and Merchants State Bank of Kewaunee, capital \$25,000. The incorporators are O. H. Bruemmer, M. J. Rudebeck, Herman Kitzerow and four others.

Two Utah Banks are Closed

Salt Lake City, January 23.—State Bank Examiner C. A. Glazier to-day assumed charge of the affairs of the Utah Banking Company's banks at Lehigh and American Fork, Utah.

The two institutions closed this morning. Heavy demands upon the banks, a steady withdrawal of deposits and inability to realize promptly on assets are blamed for the suspension. Ira D. Wines is president of the company. It is declared the banks are prepared to pay depositors in full.

In the last statement of the Utah Banking Company, made November 21st, the circulating and savings deposits were given as \$254,571 and cash on hand as \$11,285. The capital stock paid in is \$50,000.

Bank President 45 Years

Terre Haute, Ind., January 24.—At the annual meeting of directors of the Terre Haute National Bank, Preston Hussey, for forty-five years head of the institution, tendered his resignation. John L. Crawford was elected president. Mr. Hussey became a messenger in the branch State Bank of Indiana in 1844. He was elected president in 1865 and continued in office when the institution became a national bank. Mr. Hussey is 88 years old.

Choose New President

Unwilling, because of the pressure of his private business, to continue the duties of the presidency of the National State of Newark, James F. Bless, who has held that position for about eighteen years, declined a re-election at a meeting held by the directors of the institution. In his place the board elected William I. Cooper, the cashier of the bank, and to succeed the latter Arthur W. Greason was promoted.

THE LIBERTY NATIONAL BANK OF NEW YORK

FREDERICK B. SCHENCK
President

DANIEL G. REID
Vice-President

ZOHETH S. FREEMAN
Vice-President

CHARLES W. RIECKS
Vice-President
and Cashier

FRED'K P. MCGLYNN
Assistant Cashier

HENRY S. BARTOW
Assistant Cashier

HENRY P. DAVISON
Chairman Executive Com.



DIRECTORS

Edmund C. Converse
George B. Case
Henry P. Davison
Zoheth S. Freeman
Thomas A. Gillespie
Francis L. Hine
Arthur F. Luke
Howard W. Maxwell
Charles A. Moore
Ambrose Monell
Daniel G. Reid
Charles W. Riecks
Frederick B. Schenck
Charles H. Stout
Henry C. Tinker
Charles H. Warren

CAPITAL, SURPLUS AND UNDIVIDED PROFITS
\$3,700,000.00

Fort Dearborn National Bank Chicago, Illinois



Capital - - \$1,500,000
Surplus and Profits 400,000
Deposits - - 17,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier

We particularly desire the accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and we wish to serve you

Money Market and its Control by Laws of Supply and Demand

Charles Thornton Libbey, Portland, Maine, has designed and keyed an explanation of his theory that the general law of supply and demand controls and always restores the equilibrium of the money market or "demand for money" so called. This is the way he states it and it deserves some study.:

If supply is fortuitously increased, price falls, supply is checked—equilibrium restored.

If supply is fortuitously decreased, price rises, supply is stimulated—equilibrium restored.

If demand is fortuitously decreased, price rises, supply is stimulated—equilibrium restored.

If demand is fortuitously decreased, price falls, supply is checked—equilibrium restored.

1. Supply of gold for free coinage, or for bank reserves, or supply of loans resulting in bank deposits or "cash in bank," or supply of banknotes, or of fiat money, or supply of foreign exchange drawn against loans borrowed abroad or securities sold abroad, or law reducing bank reserve requirements.

2. The price of money in goods, etc., falls, i. e., the prices of the goods rise.

3. To check the supply of money in response to a rise in commodity prices requires that the tendency of bankers be overruled, but the community will insist that this be done when once they understand. Just as there would be a public outcry against tampering with the length of the yardstick, so there will be against increasing the supply of money when the demand is decreasing, once it is commonly understood.

4. The opposite of 1.

5. The opposite of 2.

6. To increase the supply of money when falling commodity prices show an increase in the demand for cash requires that the tendency of bankers (to contract the currency when the demand for loans falls off) shall be overruled, but the community will tolerate no other course when once they understand.

7. If a movement to turn goods, etc., into cash springs up.

8. If a movement to hold goods for higher prices springs up.

9. A condition where business men as a whole expect neither higher nor lower general prices; where the monetary situation is not threatening either inflation or contraction;

where there is neither over-ordering caused by a cheapening buying value of the dollar nor under-ordering caused by an enhancing buying value of the dollar; business is progressing "on an even keel."

Mr. Libbey further explains the monetary paradox in his own language as follows: "The explanation is that when money begins to lose its purchasing power a demand for loans always sets in by people wanting to buy things 'for the rise,' that is, when the demand for money, represented by the amount of products, goods, etc., offered for a dollar, decreases, the demand for loans increases. On the other hand, when the demand for money, as shown by the amount of products, goods, etc., offered for a dollar, is increasing, the demand for loans decreases, because people wish to delay buying things when the prices are going lower, and so do not require borrowed money.

"The practice of bankers has been to try to swell the volume of loans and currency when the demand for loans increases and to contract them when the demand for loans decreases, which is just the opposite from making money respond to the law of supply and demand.

"If the volume of cash, on hand and in bank, can be increased when the demand for money (NOT loans) increases, and decreased when the demand decreases, an end will be put to our disastrous fluctuations or 'cycles' of good times and bad times.

"Monetary equilibrium, free from any tendency, either to make extra purchases 'for the rise,' or to delay making customary purchases for fear of falling prices, will be maintained, because the least wavering in either direction will be at once corrected, merely by applying the law of supply and demand truly.

"Once the community at large understands this, they will insist on its being done, for they will not tolerate, unnecessarily, either a period of spurting business, day and night shifts, help drawn away from the farms, and money that falls down when they go to spend it, nor the alternate periods of business prostration, idle men and machinery, transportation facilities run at a loss, and the fresh help from the farms retained in the mills while others useless on the farms are turned out of work."

Deposits Gain a Million

Another million dollars has been added to the deposits of the banks of Madison county, Ill., during the past year.

Haitien Banking

Another financial situation in Latin-America is seriously engaging the attention of the state department with a view to protecting American interests in the confused monetary condition of Haiti.

It is proposed by Haiti to substitute for the Haitien National Bank, a French corporation which controls the financial dealings of the country, a similar banking concession to be granted to a group of German, French and American bankers, the German interests predominating. Some time ago the United States protested against the proposed arrangement on the ground that American interests were not properly protected. Since then the Haitien government has made some modifications in its original plan. The changes have not been sufficient, however, in the opinion of the state department, to warrant the withdrawal of the American protest.

In connection with the national bank concession, Haiti is endeavoring to float a loan to fund its interior debt.

F. & M. National Holds Reception

Indianapolis, Ind., January 26.—The Farmers' & Merchants' National of Wabash held an informal reception for the public last evening. The hours were from 7:30 to 9:30 and the officers and directors welcomed all desiring to inspect the elegant new banking home, the massive vaults and all the facilities of the new institution. The ladies were especially invited and all who may visit the institution Wednesday evening are assured a courteous welcome. A number of out-of-town bankers were present.—Wabash Plain Dealer.

Judge James Madison Pereles, former president of the Citizens Trust Company of Milwaukee, who died recently, left an estate of \$100,000 with an annual income of \$7,000. The widow is authorized in the will to continue the charities to which Mr. Pereles has contributed for so many years.

The Onida State Bank, S. D., temporarily indisposed because of withdrawals, was announced to open January 8th under management of C. L. Mellett of Fort Pierre. It has been re-organized with Charles T. Towne, of Midland, as cashier. Depositors are not to lose.

Editorial Comment

Rough Weather for Banking Legislation

Publication of Senator Aldrich's plan for a new banking and currency system has stirred up all the old fighters on this and kindred subjects. While it isn't likely that any bill of this importance would get through congress without trouble it is expected that the Aldrich plan will meet with rough weather from the start. It may be that the whole thing only is a demonstration on the part of the administration that it really tried to make good on party platform pledges. Likely there will be some fair activity from that quarter, for President Taft believes that his administration should go before the country with a currency plan for party reasons.

The chief executive is in harmony with congress in the whole matter, but just now congressmen are busy hunting up old bills that they may go before their constituents and claim Aldrich only copied their earlier, much earlier, efforts. Our old friend Fowler has led off in this direction, and many influential papers credit him with the best part of the Aldrich plan. Not one of these discoverers wants to see his own ideas put into law—not if Aldrich is to have the entire credit. The senator, if not up in such matters, might have a compiler go through his plan and give credit where honestly due.

Nothing can be done at this session. The absence of Senator Aldrich would be reason enough for not calling the matter up. After March 4th the house will be Democratic, and the first move probably will come in the senate. The real trouble will come in the house where the representation is much more direct. This always has been true, but will be greatly emphasized by the change of party power. The house with a new banking and currency committee, with a new chairman in Vreeland's place, may formulate a plan of its own. Many of the old time currency members have come back to congress on the tidal wave, and this will help roughen the weather for the Aldrich plan when put upon passage.

Freight Rate Decisions

Railroad officials and their attorneys have been led to expect decisions in the freight rate cases between this time and March 1st. It is a general expectation also that the decisions will be favorable to the companies.

According to experts the decisions will be for or against the railroads with no compromise. To grant a percentage of the increase is apparently impossible, for to do so the commission would have to open up the whole matter and decide which rates should bear the percentage of increase and how much.

Complications of a technical nature have arisen in connection with the recent sale of \$22,000,000 4½ per cent short term notes by the New York, New Haven and Hartford Rail-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

road Company. They are not regarded as serious and are expected to be adjusted within a short time, but under the terms of the original issue the notes are said to be illegal in that the company by some oversight failed to comply with the law.

Federal Supervision

Federal supervision received support in high quarters, this week, when George M. Reynolds tentatively indorsed that advanced governmental theory. He did not enthuse, but in his usual fair minded way stated that he "favored federal supervision as a safeguard for the future." He did not indorse federal control, however, and clearly defined his objections to going so far. Mr. Reynolds would like to see an end to roads being built "for sale" to a trunk line. These enterprises, he said, are the chief offenders in the stock watering jobs of which financial men and the public are so tired. One of his utterances was that "Capital can be no more patriotic than the men are who control it," and most persons will agree that the mere enactment of laws cannot change these conditions much. In conclusion Mr. Reynolds said: "Railroad securities are becoming more widely distributed in the West than ever before, and if this section of the country enjoys another twenty-five years as prosperous as the last twenty-five the whole western country will participate as largely in financial undertakings as the East does now."

Improve the Bank Inspection

One conclusion stands out conspicuously in connection with recent bank failures in the United States and Canada. This is that there is crying need of better bank inspection. All banks should be inspected and the inspection itself should be improved.

The important failures in New York and Canada this winter probably would not have occurred had there been rigid, impartial, thorough inspection. At least there would have been no loss to depositors. Likewise the collapse of several private concerns in Illinois would have been prevented had they been subject to such an inspection as would have detected the misuse of funds.

Dickens once wrote that while picking pockets is dangerous, a man has only to rig up an office with fancy brass grill-work and gilt signs and call it a bank, and people will rush in and hand

their money over the counter without a murmur.

Some of the recent bank closings in New York are taken to show that the methods in vogue in the days of Dickens are still in style, and one of the "bankers" now in jail is being classed with famous criminals of days gone by who were clever enough to dupe trusting depositors, but not clever enough to see that honesty is the best policy. In New York during the past few weeks a state bank, a savings bank, and a trust company carrying deposits amounting to many millions of dollars have been closed by order of the state superintendent of banks, while a number of other big financial institutions were only saved from disaster during the panicky period which followed by the prompt intervention of the Morgan interests. Although the effects of this sudden breakdown were promptly circumscribed, it served, as many papers remarked, to flash once more a glaring light on "weak spots" in our banking system.

Good Showing of Western Banks

Of the thirty \$25,000,000 national banks in the United States a small majority reported lower deposits in their statements as of January 17, 1911, than were shown in the figures of November 10, 1910, and two-thirds of the list showed material decreases from the deposit figures of January 31st last year.

Naturally the most significant decreases were reported by the larger banks of New York. A very large part of the deposits in those institutions represent the balances of outside institutions, which for several months of the last year drew money out of New York.

The largest of the Chicago banks reported decreased deposits on January 7th, but they held more even amounts than was the case with the leading New York banks. Several of the more important national banks in middle Western cities had larger deposits on January 7th than at the time of the calls two months and a year before.

Forgan on the Aldrich Plan

James B. Forgan, who returned Monday from New York, has been asked to review the Aldrich national reserve association plan for President Taft. He will write his findings and suggestions in the near future and send them on to Washington.

Mr. Forgan looks more favorably on the plan now than he did after his first reading of it. "The more I study the matter," he said, "the more I am convinced that the scheme has been ingeniously worked out and that it will be of value to the country. There are several changes which practical bankers can suggest, but they really affect only minor matters. With proper amendment I believe that the Aldrich plan can be worked up so that it will almost perfectly meet the financial necessities of this country."

Union Trust

F. H. Rawson has issued a tastefully printed "annual statement" showing the growth of the Union Trust, Chicago. Deposits are \$16,470,562.38. He is emphatic upon the success of the women's department established in 1909.

Service

When we speak of the "*Service*" rendered to customers we mean *The Best Service*, all that you reasonably expect from your bank. Our service includes a friendly personal interest in your business. *We* make it a part of our business to *give* such *time* and *attention* to our *customers* as their interests require.

CREDIT DEPARTMENT SERVICE

This department is organized for the purpose of collecting and tabulating reliable information regarding the standing and credit of banks, firms, corporations and individuals. Confidential inquiries from our customers and correspondents are carefully answered.

THE NORTHWESTERN NATIONAL BANK

MINNEAPOLIS, MINN.

The Bank of Security and Service.

THE MINNESOTA LOAN AND TRUST COMPANY,
Capital and Surplus \$1,100,000.00, is affiliated with this bank.

Combined Capital and Surplus, - - - \$6,300,000.00

Ask A. B. A. Honors

Citizens of San Antonio expect to be able to secure the next A. B. A. convention and give strong assurances of being able to accommodate the usual gathering of from three thousand to five thousand persons. On this point W. H. Hurley, assistant cashier of National Bank of the Republic, said to a representative of THE CHICAGO BANKER the fore part of the week:

"No doubt many are of the opinion that San Antonio cannot entertain the convention on account of inadequate hotel accommodations. That is a mistake, however, as the best hotels in the South are located in San Antonio. They are modern hotels operated on the same plans as the hotels in the largest cities of the country. San Antonio is a popular winter resort, and thousands of people from the states in the North and West spend the winter there to benefit by the climate. There are numerous private hotels, and one can secure almost any kind of accommodations desired.

"San Antonio is a very interesting place to visit from an historical standpoint, as it is there that the Alamo stands—that little stone building where a handful of Texans resisted an attack by a large number of Mexicans, until by pressure of numbers they were compelled to capitulate and were slaughtered, fighting to the last. The slogan, Remember the Alamo, will be handed down from generation to generation. The old missions still stand and are objects of great interest. There are a number of beautiful parks and other places to visit.

"San Antonio is not a Mexican town. It was at one time, and still has a very large Mexican population. Many of the narrow streets have been widened, and while it still possesses characteristics peculiar to itself

which add to its interest, San Antonio has developed into a beautiful city of which any state or country in the world might well be proud. Commercially the city occupies a very important position, as it has a wide expanse of country to cater to and its business extends into Mexico. It has a great many very strong financial institutions.

"San Antonio is an accessible town, as the main line of the Southern Pacific System passes through en route to Los Angeles, crossing a beautiful stretch of country. Those coming from the East can make direct connections at New Orleans, and those living in the Central West can come in over the Iron Mountain and connect with the I. N. & G. N. at Longview. Besides these roads, the M. K. & T. and the Santa Fe also have direct connections, either on their own lines or by arrangements for using the tracks of other railroads.

"It would be worth while for the bankers from the centers to visit the great Empire of Texas. Just think what that state means to us. What would we do to offset our balance of trade were it not for our cotton exports? And Texas produces one-third of this crop—so Northern bankers should go down and get acquainted with her people.

"Should San Antonio be selected, those who attend will have no cause to complain of the treatment accorded. Southern hospitality is proverbial, and all may count on having a good time. The entertainment will be varied, and I hope that the executive committee of the American Bankers Association will select San Antonio as the place for the next meeting of the association."

The retiring state treasurer of North Dakota, G. Luther Bickford, was arrested this afternoon on a warrant charging him with misappropriating \$74,000.

Wheat is Active

Wheat has been active this week, with exciting fluctuations. On Monday the May option dropped to 98 cents, a decline of nearly 5 cents from the highest point. Before the day closed there was a sharp recovery under buying by large houses.

The course of the market since then shows that holders are in control, but it is evident they are not receiving much encouragement from Europe. The price for May holds around \$1.00, and for July 95 cents.

Apprehension regarding the safety of the winter crop, especially in the Southwest, where the plant had been stunted by lack of moisture, formed one of the principal features in favor of the bull movement, aided to some extent by the moderate movement in the West, which for five days amounted to about 1,000,000 bushels under that of last year.

Markets abroad continued to show reluctance over the bull movement here, and a foreign authority stated that while European import requirements this season would prove much larger than last season, the export movement from principal shipping countries already had been heavy and for the remainder of the season European requirements would probably not be more than normal. The milling demand in the West continued disappointing, while the export movement from the United States was light.

Corn also moved within a narrow range, holding close to the 50c. mark for May in Chicago.

Directors of the Germania Bank, Minneapolis, have declared the 4 per cent semi-annual dividend and increased the surplus to \$20,000. They set aside \$675 for the undivided earnings column.

Bank Expansion

Rapid growth of business and urgent need of new departments have compelled Fort Dearborn National to procure more spacious banking quarters. For several months President Wm. A. Tilden and his associates have been casting about for the purchase of a suitable building. This week they have secured the American Trust building at the northeast corner of Monroe and Clark streets.

The price paid is in excess of \$2,900,000, which gives the transaction the distinction of being the largest single one ever concluded in the city, exceeding by a small margin the recent purchase by Mrs. Mollie Netcher of the fee under Hillman's for which she paid an even \$2,900,000.

The property was purchased specially as a home for Fort Dearborn National, the buying syndicate being headed by President Tilden and his brother, Edward Tilden. The bank is to get possession of its new three million dollar home April 1st, and will remove to the new location as soon thereafter as the offices can be remodeled to suit the business.

Trust and Savings Departments

Fort Dearborn National up to this time has refrained from organizing trust and savings departments simply because its old offices do not afford the necessary room. These branches are urgently needed by its customers, and will be organized as soon as practicable after the removal next spring. A foreign exchange department was organized several weeks ago, and this will be enlarged to correspond with the general expansion. The officials state that so urgently have they needed a savings department one would have been established within the year by some shift even had the negotiations for the American Trust building not materialized. This building is now occupied by Continental-Commercial Trust, and is a model of its kind. It has a frontage on practically 125 feet on Clark Street and 90 feet on Monroe Street, and cost its builders, the American Trust and Savings Bank, about \$1,500,000 in 1905.

Between this time and April 1st the Continental-Commercial Trust offices will be removed to the building of the bank proper, at Clark and Adams, where it will have ample room and the advantage of President Reynolds' direct management. It is expected that the Tilden organization will continue to accommodate the many other tenants of the Trust building.

Fort Dearborn's Growth

Remarkable growth is shown by Fort Dearborn National, and its new departments will make it one of the largest banks in the country, as it is to-day one of the most active and popular. Its great success is due to the progressive spirit of the entire official staff.

An evidence of the growth and strength of the bank is shown in the deposits. Three years ago this month Fort Dearborn National's deposits were \$9,887,954. Last month when the comptroller's call was made they footed up \$16,736,997. In the three weeks since that date they have mounted to \$19,000,000. When it is considered that the bank has not conducted a savings department the officers feel that the record of their institution is worthy of note. All branches of commercial banking will be conducted in the new building with a vigor which is expected to largely and quickly expand the business as a whole.

Values Advance Rapidly

The land involved in this three million dollar deal cost the American Trust \$960,000, and the property, improved, represented an investment of \$2,500,000. Such was the rapid advance of land values on Clark Street following

the bank's purchase, however, and largely because of it, that it is said the bank refused an advance of \$250,000 for the ground before even preliminary work had begun on the building.

As it is the present sale represents a profit of nearly \$500,000 to the bank. The determination to sell the property was fixed immediately following consolidation with the Commercial National Bank, which gave it the large quarters of the latter.

The Continental-Commercial has another big deal on and that is the sale of its present building at Clark and Adams streets and it is understood the Commonwealth-Edison is the prospective purchaser. Its engineers have decided that it will fully meet the company's needs, but it may be some time before the deal is closed, as the bank does not count on getting into its proposed new building at LaSalle and Adams inside of three years.



WM. A. TILDEN

President Fort Dearborn National Bank, who heads syndicate which has bought American Trust Building

Big Council

General Secretary Farnsworth has announced the mid-year meeting of the A. B. A. executive council meeting for Nashville, May 1st, 2d, and 3d. Headquarters at Hotel Hermitage. The invitation came from President F. O. Watts.

Chicago Bank Gets Full Amount

A decision handed down by the local circuit court Thursday in the suit of the Mutual Bank of Chicago, to collect a \$50,000 certificate of deposit in the Euclid Avenue Trust Company, of Cleveland, Ohio, gives the Chicago bank the full amount. The certificate was issued to P. J. Kieran, of the Fidelity Funding Company, and was turned over to the Mutual Bank to secure a loan of that amount that Kieran had negotiated. It was this certificate of stock that precipitated the exposure of the Kieran transactions.

Chicago Clearing House Election

The annual election of the Chicago Clearing House was held last week and resulted as follows:

President, L. A. Goddard, president of the State Bank of Chicago; vice-president, F. H. Rawson, president of the Union Trust Company, and manager, W. D. C. Street.

The Clearing House committee is composed of James B. Forgan, Ernest A. Hamill, Orson Smith, John J. Mitchell and George M. Reynolds.

Women Bankers

Central Trust Opens Women's Department

Central Trust Company of Illinois has recently established a women's department, which occupies the beautifully appointed room immediately at the left after entering the main banking room.

No bank in the city is better fitted by its location and arrangement to care for its women patrons than is Central Trust Company of Illinois. Situated on Monroe Street, between Clark and LaSalle, it is easily reached from all parts of the city, the north side cars passing its door, and many of the south side and west side lines passing within a block; the banking department, on the street level, does away with any climbing of stairs or tiresome waits for elevators. The beautiful room, with its marble walls and mahogany finish, its handsome table for writing, and the comfortable chairs, its soft lights and generally restful and satisfying appearance, makes the transaction of business here a pleasure to women who appreciate surroundings that are artistic as well as convenient.

Miss H. W. Waters, who is the manager of this new department for women, has come to the work qualified by many years' business experience, both in this bank and elsewhere in other lines of business, and has a practical knowledge of banking from both sides, that of the customer and that of the bank. She personally attends to the opening of new savings accounts for women, and will be glad to direct them as to the best manner to accomplish what they desire in a business way.

Young Woman Bank Cashier

Miss E. M. Boynton has been elected cashier of the Bayside, Queens Borough, National Bank, of which former Congressman Frederic Storm is president. Cashier George S. Roe, having been ill for some time, requested to be relieved. Miss Boynton is about 33 years old, and has been with the bank for five years. Her home is in the West. She went to Bayside as bookkeeper in a store. When the Bayside bank was organized a position there was offered to her. She became assistant cashier. During Cashier Roe's illness she filled his place. Her salary in her new position is \$2,500 a year.

Woman is a Bank Director

For the first time in its history Grand Rapids has a woman bank director. Mrs. Nellie E. Ross, who was recently elected to the directorate of the South Grand Rapids State Bank, has been one of the largest stockholders in that institution for some time, her brother, B. C. Porter, being the cashier. Mrs. Ross is the wife of Dr. W. H. Ross.

Wiggin Heads Chase National Bank

Albert H. Wiggin, vice-president since 1904 of the Chase National, and secretary of the Clearing House during the panic, was elected president of the Chase National to succeed A. Barton Hepburn. A change in the by-laws was made by resolution of the directors making Mr. Hepburn chairman of the board.

Banker is Found Guilty

William Adler, former president of the defunct State National Bank of New Orleans, was found guilty in the federal court on 80 counts, charging misapplication of the funds of the bank. This was the second trial of the former banker. At the first one, more than a year ago, he was found guilty and sentenced to six years in the federal prison.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Savannah Chapter

The regular meeting of the Savannah Chapter was held in the chapter rooms on January 12th. Business of a routine nature was transacted and final plans made for the oyster roast on January 19th; the birthday of Gen. Robt. E. Lee. The law class continues its study, having secured a member of the Savannah bar as instructor.

Savannah Chapter notes with much pleasure the appointment of F. R. Nesbit, of Macon, Ga., as a member of the Transportation Committee of the American Institute of Banking. Georgia is proud of the fact that just at this time she is so well represented in institute matters as the state now has the treasurer of the institute and also the appointment of Mr. Nesbit on one of the important committees for the Rochester convention. We are an ambitious set down here in this Empire state of the South, and we want to see a Georgia man on the executive council of the American Institute of Banking. Why not?

On January 19th twenty-five of thirty of the active members of the chapter partook of the annual oyster roast which was held at the Isle of Hope. The day was fair and mildly cool and lent zest to the hearty appetites of the hungry Savannahians. The oysters were large in size and quantity and roasted to a turn by Barbee's black chefs. Pabst (near) beer was also present, and never more delicious or nearer the real article. After the roast the members strolled about the island while others danced on the pavilion to the music of a whole brass band at a cost of a nickel per. A dozen of the more venturesome went out for a ride in a launch with a cranky disposition from which they eventually escaped without serious result.

The launch party pushed off into the stream and when the engine refused to start were drifted away by the strong tide. Two would-be rescuers secured a batteau to tow the launch party back to shore, when just they arrived on the scene the engine started and they were asked to paddle their own canoe. A short while after the launch party were sighted again flying signals of distress a mile up the river. Another rescue party put off and after much joshing and hilarity towed the would-be seamen ashore. The launch being deserted even by its owner, the party returned home in the early afternoon after having had one of the most pleasant outings ever undertaken by the chapter.

George H. Dieter

Portland Chapter

Portland, Ore., Chapter A. I. B. is at the height of its season's work. We are taking the lecture course of study as prescribed by the parent institution. From the interest that is being manifested in this course of study, we have no hesitancy in saying that the seed is falling on good ground.

The course of lectures, particularly as applied to the active bank work is just what is required for the young man who is starting out, making the bank profession his life's work.

We are also endeavoring to discover and develop oratorical talent latent in our members by inaugurating three minute impromptu speeches. This is a matter which should be given greater attention, for varied reasons.

Bankers, as a rule, are not great orators, they being required mostly to listen to the eloquence

of the other fellow in presenting his side of the case, and the efforts of the banker are mainly confined to a decided negative or affirmative.

The young man, however, who has schooled himself to talk fluently for a few minutes at a time on any subject, gradually gains confidence in himself and in his ability to pick out the stronger or weaker parts, as they are presented.

In this connection the debate has a significance which should not be overlooked. At our next meeting we expect to have our debating force at work. At the present time it is a difficult matter to have any but a few of the most prominent members take part in any discussion, but by reason of the above mentioned three minute talks, and debating we hope to eventually overcome this timidity.

The bankers of this city are recognizing the importance of having their banking quarters improved and enlarged to conform with the modern ideas of banking, and also in preparing for the increase of business attendant upon the development of the state of Oregon, which is at present claiming an ever increasing share of the attention of business men and capitalists.

Two of our institutions, the First National Bank, and Bank of California N. A., are at present in temporary quarters while their permanent quarters are being remodeled and enlarged. The Security Savings & Trust Co., and Ladd & Tilton Bank have now got settled in their elegant new quarters, and the United States National Bank has also finished remodeling their interior, and these banks will now compare favorably with those of any other city in the country. The charter of the latter bank has just expired and been renewed by the comptroller.

The year just closed has been a banner year for the business of Portland and of Oregon, as evidenced by the figures for Portland clearing house just compiled. The total clearings for 1909 were \$391,000,000, while the total for 1910 is \$517,000,000, thus showing a very substantial increase, and the indications are that this year will be even better.

This prosperity will have its beneficial effect on our local chapter of the American Institute of Banking, and we hope to be able to report to you later on an improvement both in quality and quantity of our membership.

A. M. Wright.

\$100 a Day to Postal Bank

Manitowoc, Wis., January 22.—One hundred dollars a day is the average of deposits in the postal savings bank here. The success of the scheme has been demonstrated, according to Postmaster H. G. Kress, beyond question, as far as Manitowoc is concerned. About seventy accounts have been opened, laboring men and working girls making up most of the depositors, the farmers not taking strongly to the bank.

Home Bank and Trust

Announcement is made of a charter for the Home Bank and Trust Company, which is to be organized with a capital stock of \$300,000 and a paid in surplus of \$50,000. The bank will be located at Milwaukee and Ashland avenues. It will take over the banking and real estate business now being carried on by R. I. Terwilliger & Co. at Ashland Avenue and Division Street. Mr. Terwilliger will be president of the institution.

Oklahoma Bankers

A fine program has been prepared for the group meeting of Oklahoma Bankers Association at Chickasha February 22d. The membership is about 200 and the officers are:

President, Frank T. Chandler, Hobart, president Hobart State Bank; vice-president, C. W. Brewer, Arapaho, cashier First National Bank; secretary, F. W. Smith, Lawton, cashier Citizens State Bank; treasurer, Claude Prather, Hollis, cashier Groves National Bank.

Following is the program for the group meeting February 22d.

8:30 A. M.—Assemble at Knights of Pythias hall, register, etc.

9:00 A. M.—Invocation by Rev. Andrew P. Johnson, pastor of Christian Church.

Address of Welcome—George H. Evans, editor of Chickasha Express.

Response—Frank T. Chandler, Hobart, president Hobart State Bank.

Report of secretary and treasurer.

Address—"Outlook for 1911"—Marian R. Sturtevant, vice-president Central National Bank, St. Louis, Mo.

Address—"Healthy Suggestions on Handling Cotton"—W. C. Baker, cashier Altus State Bank.

Appointment of committees and other business.

Afternoon—1:30 P. M.—Reading, Miss Olive L. McClintic, Chickasha.

Question box under supervision of Thomas H. Dwyer, president Chickasha National Bank, and bankers will be given swing at subjects most vital to them in this group, a sort of "family" affair, and should come to give and take information.

Election of officers.

Adjournment to enjoy Chickasha's hospitality.

Evening—8:30 P. M.—Grand Ball.

From 2:30 to 4 P. M. visiting ladies will be entertained in Elks parlors.

Legislation in Oklahoma

That state banks in Oklahoma can continue to use national banks as reserve agents, if they wish, was the decision of the senate, when it killed the provision of the Roddie banking bill intended to prevent them from so doing. This was regarded by Roddie as the most important feature of the bill. The amended measure was advanced to third reading and final passage.

New Clearing House Plan

At the adjourned meeting of the Chicago Clearing House Tuesday afternoon the clearing house certificate proposition was adopted. The plan involves the rental of a depository for the storage of gold and currency to be deposited by the member banks, and against which clearing house certificates will be issued. These certificates will be payable only to member banks, and will be used only in the settlement of clearing house balances. The plan will be more convenient than the present one.

New Michigan Bank

The new Metropolitan State Bank has been opened for business at Detroit. Henry C. Wiedeman is president, A. F. Anderson, vice-president, and Geo. H. Sweet cashier.

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RICHARD J. FAUST, Jr., Asst. Cash.
J. FRANKLYN BOUKER, Asst. Cash.

West Broadway and Chambers Street, New York

Travel with the Gross Tours

The illustrations herewith are views of tourists abroad with "The Gross Tours," an international travel organization managed by Frank A. Gross, 302 Ellicott Square, Buffalo. He is a brother of Harry A. Gross, general agent of the Chicago & Northwestern Railway at Chicago, who conducted the bankers specials from Chicago to Los Angeles last fall, and to Denver two years ago.

The group picture represents the Gross party last May before the Mosque of Omar, in Jerusalem. In 637 the city fell under the dominion of Omar, when he built the mosque which was given his name. This mosque is considered by the Musselmans one of their principal sanctuaries. Formerly Christians

what looks like an impression of a hand. Mohammed being mounted on El-Borak, the white horse, which was a present from the Archangel, set out for Heaven to arrange important affairs, but the rock "Sakhrah" arose to follow him. God, not wishing to deprive the world of the rock, sent the Angel Gabriel who with his hand restrained its movements. Gross and his party will spend about twelve days in the Holy Land and Jerusalem, beside visiting Athens, Constantinople, Smyrna, Vathy on Isle of Samos, Palestine, Egypt, part of Italy. This party will have an opportunity of seeing the Azores, Madeira, Gibraltar and Algiers on their way East. It has been said that Mr. Gross has the finest tour ever arranged since the near East has been open to travellers.

Canadian Bank Reform

Ottawa, Ont., January 24.—The constantly increasing disclosures concerning the recently failed Farmers Bank of Canada are greatly disturbing Canadian banking circles. The disclosures made yesterday when the correspondence between the New York Superintendent of Insurance and the Canadian Minister of Finance was published, showing, as it did, that the New York official had called the attention of the minister of finance to the bank's irregular transactions a year ago, resulted in a flood of resolutions and questions to be asked of the ministry in the house of commons.

The decennial bank act is now before the house of commons, having been introduced several weeks ago by the premier. It renews the bank charters, all of which expire by limitation on July 1st. The bank act now pending in the house of commons contains some important changes, but makes no provision for government inspection of banks, the demand for which is steadily becoming more insistent. In the meantime a petition is being circulated asking the government to postpone the enactment of the new bank act for a year to give parliament time to decide upon necessary amendments in the light of recent events. This request is being made by the members on both sides of the house.

Will Put an End to Laxity

Frankfort, Ky., January 24.—Fifteen of the 17 state banks in Kentucky that failed in 1910 refused to sign up when Secretary of State Bruner sent circulars to them asking that the banks pay a fixed fee for their examination. All banks examined have paid the fee without protest. Mr. Bruner finds that there are a number of banks organized under the old legislative acts, permitting the sliding scale for their capital stocks, and he has decided that the banks must reorganize and have for their capital stock the amount actually paid in.

Mr. Bruner said that the call for bank statements in the fall caught a large number of the banks with their legal reserve impaired. The banks were notified that this condition will not be tolerated.

Examiner Becomes Cashier

A. D. Thompson has resigned his position as state bank examiner in Texas to accept the position of cashier of the Bay City Bank & Trust Co.



Group of Gross Tourists before the Mosque of Omar, Jerusalem

who dared to pass only the surrounding wall were punished with death. Since the last war in the East visitors are allowed, providing they have a permit, but is closed to them during the days of Ramadan and on Fridays.

It is built on the spot where Solomon's temple stood, before its destruction by Titus in A. D. 70. In the mosque is the "rock" on which the Ark of the Covenant was placed, and this spot was called the Holy of Holies. On the western extremity of the rock may be seen

A feature of the tour is that it will be in these countries after the crowds of excursionists and pilgrims have ceased crowding the hotels and places of interest.

Mr. Gross has developed a system of tours of Europe in his own automobiles not costing over ten or twelve dollars a day. These are very popular. He has had 30 years' experience and protects his patrons from extortion and annoyances. A new booklet will be out in a few days, ready to be sent free to those interested.

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Pacific Northwest Banking News

Spokane, Wash., January 24.—Spokane banks have on hand in cash and exchange 36.6 per cent of their entire deposits, or 11.6 per cent more than is required by the federal laws.

This condition was shown when Comptroller L. O. Murray called for a statement of the condition of local banks at the close of business January 7. The statement shows deposits to \$28,860,961 and cash on hand of \$10,563,631.02. In addition to this the loans, discounts and over-drafts have been reduced by more than \$1,000,000 since the last call, November 19th. The statement taken as a whole, while it shows a decrease in deposits of a little more than \$1,000,000, is considered extremely satisfactory considering that the volume of funds which found their way through the various banks of the country during the holiday season has not returned its share to Spokane.

The fact that Spokane has 36.6 per cent of its deposits on hand or in available exchange is looked upon as indicative of the sound condition of the city financially. The legal reserve is 25 per cent, which gives Spokane 11.6 per cent more than is required by law, at one of the critical times of the year. Spokane was made a reserve city about two years ago, and prior to this time 15 per cent of deposits was all that was required. As it is, state banks are required to reserve only 2 per cent, but instead show reserves of more than 30 per cent in practically every instance.

The loans of the local banks in being decreased practically \$1,000,000 shows that the country banks are beginning to obtain returns from the farmers, who have been selling their crops more freely during the last few weeks. The loans at this time are about the same as a year ago.

Accept Canadian Money without Discount

Spokane banks now accept Canadian currency without the discount of 1 per cent, which has been the prevailing custom for many years. The action was decided upon at a meeting of the Clearing House association and the new rule went into effect on the opening of the banks January 3d. "The discount was never imposed to make a profit," said W. D. Vincent, cashier of the Old National, "and has only paid the expense of handling the currency. There is a federal law which provides a penalty of 10 per cent for paying out this money, and this law makes a good deal of trouble. However, people have done a good deal of complaining and it was hard to make them see our difficulty."

Large Mortgage Filed by Electric Company

The largest mortgage ever placed on record in Chelan county, Wash., was filed last week by the Wenatchee Valley Gas & Electric Company. It was a first mortgage of the corporation for \$2,000,000 drawn in favor of the Spokane & Eastern Trust Company as trustee. The

mortgage is to secure bonds to be issued for the purpose of refunding the present indebtedness of the company and to make extensions and betterments. The bonds are to be issued in denominations of \$1,000 each, dated October 1, 1910, and payable October 1, 1930, at a rate of interest not to exceed 6 per cent. It is stated that arrangements have already been made for the sale of \$350,000 of the bonds.

Ralston McCaig Moves to Republic

Ralston McCaig, cashier of the Bank of Rosalia, has gone to Republic, Wash., where he becomes financial manager of the North Washington Power & Reduction Company. Mr. McCaig has been in business in Rosalia for the past 20 years and has done much to develop that section of the state.

Banker Serving Second Term as Mayor

Harry T. Jones, president of the Hartline State Bank, has been twice honored by the people of his town by being made mayor and is now serving his second term in that office. Mr. Jones is a conservative business man and his management of the Hartline State Bank is evidence of his thorough business methods.

Official Change in Idaho Bank

At the annual meeting of the directors of the First National of Kellogg, Idaho, P. P. Weber was elected president, succeeding F. F. Johnson, who resigned on account of having moved to southern Idaho where he is cashier of the



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Boise City National. The other officers are: Vice-President, J. H. Weber; cashier, W. A. Bartee; assistant cashier, T. R. Jones. At the meeting of the stockholders, previously, the following directors were chosen: Walter C. Clark, U. B. Hough, A. P. Hutton, R. E. Jones, Ewen McIntosh, J. H. Weber and P. P. Weber.

Dispute over Depository of Indian Funds

Senator Jones to-day laid before the President a request of R. L. Rutter of the Spokane & Eastern Trust Company that the Colville Indian funds be deposited in state as well as national banks. This question was considered by the President and cabinet a short time ago because of the fact that a million dollars is soon to be paid over to the Colville Indians by the government. It was then decided not to deposit Indian money in state banks because there is no method of inspecting such banks, whereas national banks are constantly under government supervision. The President told Senator Jones he would give his request further consideration, but the probabilities are that the Colville money will be deposited entirely in national banks. "To withhold the deposit of Colville Indian funds from the state banks would be an extremely foolish stand for the government to take," said R. L. Rutter, secretary of the Spokane & Eastern Trust company, when apprised of the fact that the matter had been laid before the President and the objections made on the ground that the funds would not be protected by national inspectors, as in the national bank vaults. "The converse of such an argument would be that state funds should not be deposited in national banks because, unlike the state banks, they had no inspection by state inspectors. Government funds are fully protected in state banks by bonds. The new postal savings bank law recently passed states specifically that state banks should be allowed the same privilege of handling government funds as the national banks. The state banks have made a concerted move in this instance, and I am certain that it will be decided in our favor and that the Colville funds will be deposited with the state banks.

Loan Society Pays 3½ Per Cent Dividend

At the annual meeting of the Fidelity Building and Loan Society, held last week, a semi-annual dividend of 3½ per cent was paid to the stockholders, making a total of 7 per cent for the year. The company is capitalized at \$2,000,000. At the meeting of the trustees Secretary F. S. McWilliams made a report showing the sales of 117 shares of paid-up stock at \$100 per share and 7,058 shares of installment stock during 1910. The loans made during the same period amounted to \$40,665. The officers for the ensuing year are: President, Otto W. Sperling; vice-president, O. C. Jensen; secretary, F. S. McWilliams; assistant secretary, G. D. Robinson; treasurer, I. W. Bedle; trustees, M. C. Dunne, E. F. Cartier Van Dissel, J. Grier Long, M. B. Connolly, Robert Weir and Thomas F. Conlan.

January 3d Record Breaking Day

The Spokane banks broke all previous records on Tuesday, January 3d, in the amounts of

deposits received. The fact that it was the first of the year brought out hundreds of the savings depositors who were on hand to claim their annual or semi-annual interest dividends. It is estimated that between \$75,000 and \$100,000 in interest was paid to the savings depositors on the \$5,000,000 to \$6,000,000 in the savings deposit vaults of the various banks. From the time the bank doors opened until they closed the different banks were crowded and in some instances jammed at times with people. It is estimated the deposits made on the day were the heaviest ever made in Spokane banks in a single day. The deposits in the downtown banks ran from \$500,000 to more than \$1,000,000 each, making the total for the day between \$7,000,000 and \$10,000,000.

Power Company Distributes Extra Dividend

The Washington Water Power Company made its stockholders a New Year's gift of practically \$25,000 on January 1st, in the form of an extra dividend of 7 per cent on the outstanding stock, which amounts to about \$9,000,000. The annual dividend of the company is 7 per cent on the outstanding stock, and is paid in quarterly instalments of 1¾ per cent at the end of each three months.

Spokane Building and Loan Society

During the twelve years the Spokane Building & Loan Society has been in existence it has furnished the means for 600 people of this city to build their homes. The twenty-fourth semi-annual dividend is now being paid to the stockholders by Secretary Frank S. Chase. The dividend is on the basis of 8 per cent annually. During the eight years Mr. Chase has served as secretary of the company the business has increased from \$60,000 to \$3,000,000 annually.

Harrington State Bank

The Harrington State Bank held its annual meeting January 3d, when C. D. Ellis, cashier reported that the earnings for the past six months under the new organization had proven very satisfactory, amounting to about 10 per cent on the capital stock. The officers elected were: President, John E. Russell; vice-president, J. A. Talkington; cashier, C. D. Ellis; assistant cashier, H. O. Jones; trustees, J. E. Russell, J. A. Talkington, J. J. Cormana, F. C. Krumholz and C. D. Ellis.

Lincoln County State Bank

The Lincoln County State Bank of Davenport, Wash., is strictly a home institution, every dollar's worth of stock being owned by business men of Davenport or prosperous farmers of Lincoln county. F. W. Anderson, cashier, states that the year 1910 has been the most prosperous year in the history of the bank and the indications for the coming year appear favorable to still greater business prosperity.

North Yakima Clearings Increase 22 Per Cent

The bank clearings for North Yakima for the year 1910 amounted to \$24,593,339.73, an increase of \$5,426,935.22, or 22 per cent over 1909. The clearing house was organized in April, 1909. From April 14, 1908 to April 14, 1909, the first year of record, the clearings reached the sum of \$14,629,416.69, therefore the clearings for the year just passed show a gain over the first year of nearly \$10,000,000.

Banking Notes

The State bank at Orient, Wash., an institution opened in Orient last spring, is flourishing accordingly to the last financial statement, which shows \$20,000 deposits on hand. P. H. Blom, cashier, states he is well pleased with the amount of business being handled through the bank.

The third annual statement of the financial condition of the Glenwood State Bank shows that this institution in our progressive little neighboring town is prospering and that it is filling a needed place in Glenwood and surrounding territory. The present officers of this bank are: E. W. Ansted, president; Dr. H. H. Elliott, vice-president; T. G. Richardson, cashier; B. F. Thiebaud, assistant cashier. Directors, E. W. Ansted, L. T. Bower, John F. Carlos, James McCann, H. H. Elliott, B. F. Thiebaud and T. G. Richardson.

E. H. Stanton Packing Company of Spokane has just floated a bond issue of \$250,000 to run seven years at 5 per cent. The first \$50,000 will be retired on January 1, 1912, and \$50,000 each year following until the issue is exhausted. The Spokane & Eastern Trust Company handled the bond, also floating a \$75,000 issue for the Northwestern Harvester Company of Spokane. The bonds run five years and draw 8 per cent. The money derived from the bonds will be used in extending the business of the two concerns. The Stanton Company is completing an abattoir and packing plant to cost \$375,000 and will increase its yearly business

Gross Tour of the Orient

73 DAYS. \$680



Starting April 8th

Visit the history famous places in Azores, Madeira, Gibraltar, Algiers, Greece, Turkey, Syria, Holy Land, Egypt and Italy. Finest trip ever planned at best time of the year. Capable management and perfect arrangements enables us to offer you a trip that answers every requirement and wish as to comfort, pleasure, time and cost.

AUTOMOBILE TOUR OF EUROPE

May 10, 106 days, \$1,185.85 minimum, including every item of expense. Italy, Tyrol, Bavaria, Swiss Lakes and Alps, Black Forest, Rhine, Netherlands, Paris, Chateaux of Touraine and British Isles. Party is limited; make your reservations now.

VACATION TOURS OF EUROPE

July 3rd and 15th, 59 and 47 days, \$619.15 and \$527.65, all inclusive. Two weeks by motor through the Chateaux of Touraine.

ROUND THE WORLD

October 4th, 160 days, \$2,300, all included. A manager and courier accompanies each party. Rates include every item of expense as shown in illustrated booklet, describing and illustrating the scenes along the routes traveled both by land and over sea. Write for it today. Space is limited. Make your reservations now. We offer the benefit of 30 years' experience.

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STATE AND MADISON STS. CHICAGO.

An important part of this institution's business is the service it renders to banks and bankers. Accounts, both active and inactive, are invited and the entire equipment of the bank is placed at the disposal of correspondents.

OFFICERS

LUCIUS TETER, President	JOHN A. McCORMICK, Vice-President	WILLIAM M. RICHARDS, Asst. Cashier
EDWARD P. BAILEY, Vice-President	HOUSTON JONES, Cashier	LEVERETT THOMPSON, Secretary
	H. T. SIBLEY, Manager Investment Department	

RESOURCES OVER FIVE MILLION DOLLARS.



to \$5,000,000. The plant will be opened early in 1911.

B. F. O'Neill of Wallace, Idaho, has sold the First Bank of Harrison, Idaho, to J. F. Pollock and George Frelander of Coeur d'Alene. The bank has a capital stock of \$25,000 and has been run by Mr. O'Neill as a branch of his Wallace bank. Mr. Pollock is the retiring county assessor. Mr. Frelander is vice-president of the Exchange National Bank of Coeur d'Alene and will have charge of the bank.

H. C. Sampson, manager of the Western Union Life Insurance Company of Spokane, was the principal speaker at a meeting of the Spokane branch of the American Institute of Banking on December 21st. Other speakers were R. L. McWilliams, assistant corporation counsel, and J. A. Yeomans, assistant cashier of the Old National Bank. Bertram Russell of the Washington Trust Company was elected chairman of the entertainment committee.

Yakima Valley Telephone Company has given a trust mortgage to the Central Bank and Trust Company of North Yakima, Wash., for \$25,000. The telephone company which operates at Zillah, Wapato, Sunnyside, Mabton and Grandview, mortgages its system to cover an issue of 250 bonds of \$100 each, the proceeds of which will be used in development work.

Exchange National Bank of Coeur d'Alene, Idaho, has instituted suit in the district court against Albert R. and Grace P. Featherstone and P. T. Nixon, asking that a temporary receiver be appointed for the electric light plant at Bonners Ferry, Idaho, and that the concern be turned over to the bank to satisfy a mortgage, on which \$13,501.50 is past due.

J. Grier Long, vice-president of the Washington Trust Company, and Mrs. Long entertained R. A. Maynard, formerly assistant editor of The Denver News and Mrs. Mila Tupper Maynard, formerly assistant editor of The Denver Times at their home several days the third week in December.

W. P. Edris, postmaster of Spokane, reported the sale of \$4,698.86 worth of postage stamps in one day the week before Christmas. That sum would provide more than enough 2-cent stamps for two letters for every man, woman and child in the city, the population of which is 104,402, according to the census of 1910.

The directors of the First National of Pasco, Wash., have just declared a dividend of 6 per cent on its new \$50,000 capital stock, and have added \$1,000 to the surplus fund. The bank is in a most prosperous condition and its business is constantly growing.

The Spokane and Inland Empire Electric Railway Company has improved its power plant during the year 1910 by additions to the

Nine Mile plant amounting to \$145,000. A new substation in Spokane has been built and equipped at a cost of about \$150,000. A sum estimated at \$110,000 has been expended in 60-volt high-tension lines. For irrigation purposes, power has been generated at a cost of \$40,000.

L. MANASSE

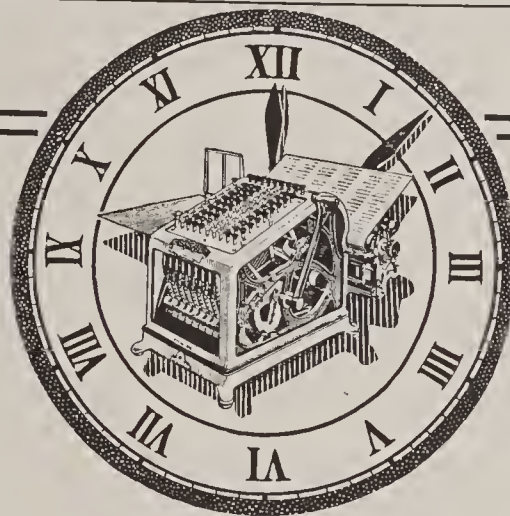
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CHICAGO



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a new Burroughs begins to save time and money for some one. And the 110,000 now in use keep right on saving.

Think of the thousands of hours and the thousands of dollars saved each day by all the Burroughs Bookkeeping Machines.

It takes a vast company of 3,000 men to supply the world with Burroughs Machines and to care for users everywhere. And we do take good care of them—they make our best future customers. It costs us \$300,000 a year to maintain Burroughs Service—and it pays our users and us.

Burroughs Adding Machine Co.

65 Burroughs Block, Detroit, Michigan

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

E. W. Decker, of the Northwestern National, succeeds F. A. Chamberlain of the Security National as president of the Minneapolis Clearing House Association. Perry Harrison remains as manager. F. M. Prince of the First National was elected vice-president to succeed E. W. Decker, advanced to the association president.

The association was organized Dec. 18, 1880, and in that time has had only two managers—the late W. E. Burwell, and Perry Harrison, who succeeded him January 3, 1888. At organization the association was composed of the Security, City, Hennepin County Savings, Northwestern National, Merchants National and Citizens' banks, and V. G. Hush, a private banker. Its members now are the Northwestern National, Security National, First National, Hennepin County Savings, German-American and St. Anthony Falls banks, other Minneapolis banks clearing through those six.

Farmers' & Merchants State of Galesville, Wis.—President, A. O. Nelson; Vice-President, H. F. Claussen; cashier, J. A. Berg; assistant cashier, George Hagen.

Deposit Bank, Winona, Minn.—President, S. L. Prentiss; cashier, F. A. Lemme.

Union National, Winona.—President, Stephen Collins, succeeding D. H. Beecher; cashier, A. L. Hunter.

First National, Winona.—President, C. H. Bendeke; cashier, S. S. Titus.

State of Hoople, N. D.—President, J. A. Dinne; Vice-President, Stephen Collins; cashier, N. C. Olson; additional director, M. F. Murphy.

Minnesota's Bank Tax System Satisfactory

Governor Eberhart in his message said of taxation of banks: "The present system of taxing banks has been very satisfactory. The assessor takes the total capital stock of the bank and adds to that the surplus fund. From this total is deducted the total assessed value of all the real and personal property of the bank. The excess is listed for taxation along with the valuation of the real and personal property. The banks have not complained of this system and the general public regards it as fair and reasonable. At the same time we cannot see why banks should pay taxes on more than their real and personal property, while corporations in general do not. The state tax commissioners think it would be a proper move to tax corporations in general, just as banks are taxed."

Bank Money Order Cheaper Than Postal

Banks are now able to underbid the postoffice on foreign money orders, says F. E. Holton, cashier of the Northwestern National. The reason is, he gives, that the postoffice has practically doubled rates to Asiatic and European stations. It costs 35 cents to send \$20 away, formerly 10 cents. To send \$5 costs 15 cents, and by bank traveler check less money.

"It will take some time however, before the banks notice the difference appreciably," said Mr. Holton. "The class of people that use money orders would rather deal with the government than with banks until they get used to the idea of banks."

Suggestions by Bank Examiner

Anton Schaefer, public examiner, in a report to the governor, suggests increase of fees for examination of banks. The result of the present system is that the Twin City banks pay the cost of the examination in the district, and

northern banks should do the same for their part of the county. He thinks that the bank examiners should examine the building associations also.

Plan Bank for the West Side

Capitalists are planning a bank in the Sixth ward of St. Paul. This will give merchants on the West Side banking facilities without going to the financial center on the East Side. The West Side club is interesting men of money. It called a mass-meeting to arouse banking investment spirit.

Anti-Shark Loan Company Opens Feb. 1st

The Provident Loan Company, the anti-shark organization in St. Paul, is expected to start February 1st. A. W. Gutridge of the committee in charge of stock disposal, has put out several blocks of \$1,000 each.

Re-elected Treasurer of Agricultural Society

In a complete overturn in state agricultural society affairs E. L. Mattson, assistant cashier of the Northwestern National, is again made treasurer. His regime for one term was said to have been highly satisfactory in its technical workings and results. Mr. Mattson admits that he comes from a family which has farmed fifty-eight years, and that he owns farms himself. Mr. Mattson's father settled in Minnesota in 1853, five years before the state was formed, was colonel of the Third regiment in the Civil War, secretary of state,

and consul to Calcutta. E. L. Mattson was born in 1871, in 1888 became connected with the Swedish-American National, of which he was cashier at absorption by the Northwestern. The salary of treasurer will be a princely addition to Mr. Mattson's income, or \$71 a month.

Annual Election of Dayton Banks

The two national banks of Dayton, Wash., held their annual elections last week. Those for the Columbia National are: President, Levi Ankeny, of Walla Walla; vice-president, Andrew Nilsson, Dayton; cashier, J. W. Jessee; assistant cashier, J. W. Jackson; directors, A. Nilsson, G. F. Price, E. E. Eager, G. W. Jackson and Levi Ankeny. The officers of the Broughton National are: President, C. J. Broughton; vice-president, J. L. Dumas; cashier, A. P. Cahill; assistant cashier, S. Z. Varnes; directors, C. J. Broughton, J. L. Dumas, A. P. Cahill, W. E. Cahill, Miles C. Moore, David Barclay. Both institutions report the year's business fully up to the standard, and both predict an unusually good business for 1911. The Columbia National is regarded as one of the strongest banks in the Northwest outside the large cities. Its deposits range from \$500,000 to \$700,000. The Broughton National, which is a comparatively young institution, has deposits amounting to \$101,563.55 and a reserve fund of \$40,940.84.

Banking Notes of Interest

Charters have been issued recently as follows: Farmers State Bank of Nelson, capital \$10,000; Farmers State Bank of Spring Valley, capital, \$25,000; Richfield State Bank, capital \$15,000; Mount Hope State Bank, capital, \$15,000; Farmers State Bank of Calumet Harbor, capital, \$10,000; State Bank of Tomah, capital, \$25,000.

The State Bank of Mosinee has increased its capital stock from \$8,000 to \$12,000.

The newly organized Eastman Bank, located in the village of Eastman, fourteen miles east of Prairie du Chien is open for business with D. Harry Pier as cashier.

More than 2,000 manuscripts were offered in the farm children competition for the Joseph Chapman, Jr., prizes, as supplemented by C. M. Loring. The contest closed January 1st. The prizes are \$20, \$15, \$10, ten of \$5, one of \$3 and one of \$2 for the best essays on "Why I Want to Leave the Farm," and "Why I Want to Remain on the Farm." Professor G. F. Howard of the extension course of the farm school is reading the papers.

H. L. Moore, treasurer of the Minnesota Loan & Trust Company, has been elected president of the Dartmouth Alumni Association of the Northwest. Men of renown in the business and professional world are members of this organization, or are alumni not yet numbered on the roster. Mr. Moore plans an active year with a record making dinner at the end of the year at which President Ernest Fox Nicholson of the college will be present.

Cash balance in the Minneapolis treasury at the end of the fiscal year was \$835,118, compared with \$2,068,954 the year previous. Disbursements were \$16,351,594 in excess of receipts, which were \$15,117,759. Net earnings including interest on daily balances were, in the treasurer's office, \$22,888.



Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequalled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

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T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

**The Old National Bank
OF SPOKANE**

THE MONROE NATIONAL BANK OF CHICAGO

Madison and La Salle Streets

UNITED STATES DEPOSITARY

Report of Condition at Close of Business, Saturday, January 7, 1911

RESOURCES

Loans and Discounts	\$1,078,963.17
Bonds and Securities	266,900.00
Overdrafts	120.13
U. S. Bonds to Secure Circulation	282,000.00
Premium on U. S. Bonds	2,500.00
Bonds to Secure U. S. Deposits	1,000.00
Cash and Due from Banks	640,486.01

\$2,271,969.31

LIABILITIES

Capital Stock	\$ 300,000.00
Surplus and Undivided Profits	65,714.04
Reserved for Interest and Taxes	1,000.00
Circulation	280,400.00
U. S. Bond Account	100,000.00
Dividends Unpaid	40.00
Deposits	1,524,815.27

\$2,271,969.31

OFFICERS

EDWIN F. BROWN, President

T. C. NEAL, Vice-President

MATTHEW A. BERG, Jr., Asst. Cashier

L. C. WOODWORTH, Cashier

R. H. LEE, Asst. Cashier

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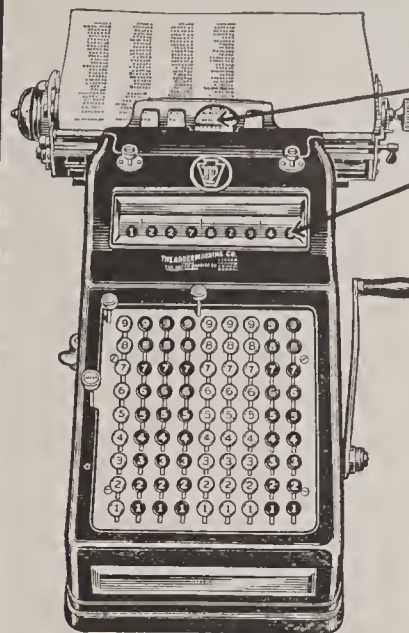
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THE WALE'S is the one machine that combines exclusive features of convenient operation with mechanical perfection of construction.

Some of these features are the Self-Correcting Keyboard—that corrects automatically when the right key is pressed—and the Non-add key that adds without printing.

It is the only machine that is perfectly visible at every operation, showing totals and printing, in the same field of vision.

A glance gives you the number as it prints and the total up to that point. In construction the WALE'S is superior to all others.

5-Year Guarantee

The WALE'S is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee when the WALE'S gives you five times more protection? Ask about our 30-day free trial. Mail the coupon for descriptive literature.

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALE'S against "trust" acquisition.

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For Illinois, Iowa and Wisconsin

Telephone, Harrison 2057

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Please send me booklet
describing in detail the
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St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

Tom Randolph, vice-president of the National Bank of Commerce, sees nothing in the signs for the near future other than easy money and plenty of it. "The way deposits are piling up," said Mr. Randolph, "there is little likelihood, in my opinion, that the next few weeks, or perhaps months, will develop any hardening in rates here. Ditto for the entire West and the East also. A lot of things have tended to loosen up funds, whose resting place is St. Louis banks when not otherwise engaged. Cotton has been moving freely for export from Southern points, which releases our quota of money that went into financing the crop. The country contributory to St. Louis has been fortunate in the matter of crops, and is rich. Many farm mortgages are being taken up, and the country banks appear to be relatively as well supplied with loanable resources as is the case with institutions in central Western reserve centers. Business is good, but it is largely of a routine nature, nothing much in the way of new enterprise being under way at the moment. Perhaps the present low rates may coax out initiative and start something new. I believe, however, that the banks are pursuing a rather conservative policy, and are not encouraging anything other than strictly legitimate things. There is little new in the situation to comment upon."

Huttig Favors Aldrich Plan

Charles H. Huttig, chairman of the executive committee of the American Bankers Association and president of the Third National, has just returned from New York, where he went to attend the meeting of the administrative committee of the association. This committee is formed of the officers of the association. Mr. Huttig expresses himself as being quite decidedly in favor of the Aldrich reserve association plan. "The plan now," said Mr. Huttig, "is of course merely an outline, which must be worked out in detail, but I am strongly in favor of it. In my opinion it is a step in advance. If perfected and put in operation the scheme will tend to lessen extremities in economic stimulation and depression. Of course the pendulum of industrial conditions will continue to swing back and forth, but it will be kept from swinging so far out at the ends of its arc. I found that the bankers I met in the East are for the most part favorable to the plan, and are likely to give it their support. There is little use of my going into details, as the matter has been pretty well threshed out up to its present stage of development. Eastern financiers do not look for anything but low rates for some time to come. There seems to be nothing right now in the financial horizon which will tighten the mar-

ket. General conditions are basically healthy and promising for the year, but for the next few months money will doubtless be plentiful and cheap.

Pays Extra Dividend

The St. Louis Union Trust Company has declared an extra dividend of 4 per cent on its capital stock of \$5,000,000, which will be payable February 1st. The regular dividend of 16 per cent per annum, so that a total of 20 per cent, or \$1,000,000 will be distributed among the stockholders as a result of last year's business. President N. A. McMillan of the company says that the extra disbursement is by no means an assurance that the regular rate is to be raised from 16 to 20 per cent, but is simply an additional sharing of the year's profits. A goodly part of said profits, it is understood, accrued from the St. Louis Union's skilful handling and financing of the Brownsville, Tex. deal. This deal was originated by Colonel S. W. Fordyce, a director in the company, and one of the leading builders and developers of the great Southwest.

Commonwealth Trust Elects

The Commonwealth Trust Company at its annual meeting this week re-elected nine directors to serve for three years, as follows: F. W. Allen, S. M. Dodd, W. C. Fordyce,

J. S. & W. S. KUHN

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INVESTMENT BANKERS

Guaranteed
Irrigation Bonds.
Guaranteed WaterWorks Bonds.
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Bonds.

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

PITTSBURGH

First National Bank Bldg., Phone Central 6400

CHICAGO

PHILADELPHIA

Dward F. Goltra, Sam B. Jeffries, A. B. Lambert, W. D. Simmons and J. M. Woods. Sixteen members of the board that hold over are: A. D. Brown, George O. Carpenter, Thomas W. Crouch, Albert N. Edwards, Samuel C. Davis, James Green, Edward Hidden, Henry Hochler, Jr., Sam M. Kennard, Elias Michael, Lawrence B. Pierce, E. L. Pectorius, S. F. Prior, Tom Randolph, Otto Stifel and M. B. Wallace. Since its reorganization in January, 1900, the deposits of the Commonwealth Trust have grown from \$1,428,349 to \$4,316,394.

Postal Earnings Show Gain

As a barometer of growth in any community the postal earnings are regarded as about as good as anything, outside of bank clearings. The St. Louis postoffice shows increased earnings amounting to \$191,118.08 for 1910 over 1909, according to a statement prepared this week by Postmaster Akins. The receipts were \$4,539,185, against \$4,294,134.

New Outlying Bank Projected

Stock subscriptions for the establishment of a bank in the vicinity of Taylor and Easton Avenues are being taken among merchants and residents in that district. The new institution will have a capital stock of \$100,000, and the proposition is to have the shares as widely held as possible. The Easton and Taylor Avenues Business Men's Association is fostering the enterprise, but it has not progressed far enough to discuss directors and officers.

Mortgage Company Incorporated

The company promoted early this year by Tom W. Bennett, president of the Mortgage Guarantee Company, to deal in small mortgages, was incorporated this week with a capital stock of \$500,000. The incorporators mentioned in the charter are: Mr. Bennett, Fred G. Zeiberg, J. D. P. Francis, Dwight F. Davis, Aaron Fuller, H. B. Collins, Edward L. Pectorius, Rella Wells, A. L. Shapleigh, Moses Schoenberg, Richard T. Shelton, Lloyd P. Wells, Eugene F. Williams, Lawrence Kennard and O. W. O'Meara.

Lowell Bank Elects Officers

Directors of the Lowell Bank, No. 5000 North Broadway, at a meeting on Monday, elected the following officers: August F. Klasing, president; William Koeneman, vice-president; Henry Arnold, secretary; and L. L. Will, cashier. The directory is composed of Henry Arnold, George Hilke, William Koeneman, A. F. Klasing, Henry Mueller, J. F. Rupp, F. J. Schwierjohn, Henry Schenkel, Sr., and J. B. Toensikoetter.

Clarkson is Young Bank President

George W. Clarkson, the new president of the Grand Avenue Bank, is the youngest presiding official in a financial institution in the Mississippi Valley. He is just 35 years old. He was born in Missouri, and says all he possesses, including education, money and esprit, were obtained in this state. He started into business as a clerk in a milling concern in Bismark, Mo., and later was instrumental in founding a bank at that place. The other of-

ficers in the Grand Avenue Bank are E. E. McGill and vice-presidents, and W. L. Nichols, cashier.

Bank Change at Clifton, Tex.

The Farmers Guaranty State Bank of Clifton, Tex., has succeeded to the business of the Clifton State Bank. The deal was in the nature of a reorganization of the old bank, with the same officers, viz.: H. H. Baley, president; Tom C. Parks and T. W. Anderson, vice-presidents, and J. M. Jensen, cashier.

Changes in Clearing House

Edwards Whitaker, president of the Boatmens Bank, and G. W. Garrels, president of the Franklin Bank have been elected to the committee on management of the St. Louis Clearing House Association. They succeed William H. Lee, president of the Merchants-Laclede National and John F. McCluney, president of the State National. Festus J. Wade, president of the Mercantile Trust Company and Mercantile National, will probably be Chairman of the Committee on Management, succeeding Mr. Lee. Charles H. Huttig, president of the Third National, was re-elected president and W. W. Hoxton continues secretary and manager of the association.

New Trust Company Opens

The City Trust Company, at Eleventh Street and Franklin Avenue, opened for business on Wednesday. The company is capitalized at \$100,000, and occupies the old quarters of the City National. H. R. Rehme, former cashier of the City National, is president and J. F. Matoushek, secretary. It is the purpose of the company to do a regular trust company business along small lines. Mr. Rehme has been in the banking business in St. Louis for the last quarter of a century.

Banking Notes

Counterfeiters have been manufacturing bogus bank notes in Kansas and Missouri lately. J. G. Durham, of Licking, Mo., was arrested last week charged with having counterfeited \$5 bank notes of the National Bank of Beloit, Kan., in Texas county, Mo. Reports from Wichita say that the southern part of Kansas has been flooded with counterfeit bills of \$10 denomination representing the bills of the National Bank of Commerce of Wichita.

Senator Humphrey, of Missouri, has introduced a bill abolishing the building and loan department of Missouri and returning the work of inspection to the state treasurer. Another bill in the Missouri legislature fixes a maximum fee for examination of banks at \$15 for a capital stock of \$10,000 and up to \$200 for each million.

There has been a great deal of agitation in Kansas against the wildcat investment companies that have been selling worthless stock to the investors of that state. Joseph N. Dolley, state bank examiner, has been conducting a vigorous campaign against these concerns for two years. Through his influence Senator Quincy has introduced in the Kansas senate a bill to stop investment companies and brokers selling worthless securities in Kansas. It will

compel the listing with the bank examiner of all securities to be disposed of as well as the financial standing of the institutions having them for sale.

The Bankers' Club of Kansas City was organized last week at the Kansas City Athletic Club. The business meeting was preceded by a dinner at which sixty-five bankers were present. The officers of the new organization are: George S. Hovey, president; Charles H. Moore, vice-president and Jerome Thralls, secretary and treasurer.

Alabama Bankers Indorse New Law

The specially called Alabama Bankers Convention indorsed the new banking bill as printed in these columns, which put all forms of banking under strict supervision. There is every hope that the bill will pass as indorsed. Everybody and most bankers see the advantage to a state of a safe banking system under state supervision.

From Louisville, Ky., comes the news that fourteen banks holding state charters failed during the year, and Secretary Bruner declares that this is an obvious argument in favor of a system of inspection. He believes that even under the present makeshift system by which banks are examined, provided they agree to pay the expense of the work, the number of failures will be greatly reduced.

English Bank's Big Deficit

London, January 24.—The official receiver of the Charing Cross Bank, which failed on October 17th of last year and in which the late Dr. Crippen had his finances, has issued a statement on the bank's liabilities. According to the statement, the bank has a deficit of \$8,496,165. The receiver points out, among others, the loss of \$500,000 in the petroleum oil trust which was promoted by Alfred Carpenter, the owner of the bank, to purchase properties in Gaspe, Quebec.

Bank Clerk Sentenced

Tacoma, January 24.—Frank J. Fuhrman, defaulting cashier of the National Bank of Commerce, who pleaded guilty, was sentenced to six years' imprisonment in the U. S. penitentiary at McNeil Island by Federal Judge Donworth in the U. S. District Court. It was discovered last month that Fuhrman had embezzled more than \$93,000, investing most of the money in timber lands, logging equipment and a shingle mill. These he transferred to the bank.

Bank Examiners to Meet

The comptroller of the currency feels that the state and national bank examiners could hold a joint meeting at least once each year for the purpose of discussing methods of bank examiners. It would be of great benefit and tend to increase the efficiency of both, and has, therefore, invited the state superintendent of banks of all the states to have the state examiners meet with the national examiners early in July.

La Salle Street National Bank OF CHICAGO

CAPITAL \$1,000,000.00

SURPLUS \$250,000.00

Officers

WILLIAM LORIMER
President
C. B. MUNDAY
Vice-President
J. M. APPEL
Vice-President
WM. L. MOYER
Vice-President
CHARLES G. FOX
Cashier
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CHICAGO, ILL.

Pension Funds

American bankers, Chicago, St. Louis and elsewhere, are adopting pension fund systems for superannuated employees, and in a few instances the bank employees, as in Pittsburgh and St. Louis, have organized benefit associations. From London we have secured a resume of the bank pension fund system as developed in Britain and in the colonies, as shown by reports of the annual meetings of their governing boards. Their number and the distribution of banks conducting a pension system are as follows:

United Kingdom—England and Wales, 17, Scotland, 5 and Ireland 3, total, 25.

Colonies—Africa, 5, Australasia, 14, British Guiana, 1, Canada, 2, India, 6 and Mauritius, 1, total, 29.

English banks doing business abroad, 8, foreign banks, 3, and kindred institutions, 3, general total, 68.

The total number is exactly the same as last year, but the distribution is somewhat different. The numbers in England and Wales have diminished through amalgamations, but in the British colonies they have increased both for the banks in Africa and Australia. The Bank of Mauritius mentions such a fund for the first time, the grant of money to it being especially referred to in the report as appropriated to the establishment of a staff pension fund. When this record started thirty-five years since, in 1876, the numbers mentioned were much smaller than they are at present, and the references to the colonial banks were not many. Taken together they are now more numerous than the banks in the United Kingdom.

There are also a great many banks which maintain funds of the same description, but which do not mention the fact at all or the amounts employed in this manner. These are frequently large. The utility of these funds is very great. They link the staff together and assist in the formation and maintenance of a good feeling between the members, with an interest in the prosperity of the bank which they serve. Cases continually occur in which the capacity to continue work ceased long before the age at which pensions naturally are looked for, and in the instances known are always treated liberally.

Last year the association at a bank of France was formed by the employees themselves for the purpose of establishing a fund for the advantage of the children of the staff of the bank. Such a fund would be extremely useful if established on good business lines. It might be possible to include in it a system of insurance against the time when the parents of children have either to meet considerable expense for the education and outfit of their children, or have to feel that it is not possible for them to fulfil this important obligation. Provision is sometimes made for these claims through the assistance of those insurance offices which will grant policies of this description. Parents may begin when the children are very young, a small payment is made annually, and when the boy or girl reaches the age when schooling becomes seriously expensive, or an outfit for starting in life is required, a fixed sum is paid down or a short annuity commences, which continues till the time when the child should be able to earn on his own account. In case of the death of the child before reaching the age when the policy matures, the amount of the premium is returned. It is more easy for a parent receiving a certain though not large income to put by £8 or £10 a year whilst his children are quite young than to find the £40 or £50 a year required during the later school years of the child's life, or the sum needed for the outfit.

A system of this kind could be worked more advantageously by the officials of banks than by any other body of men. Those who carried the work on would not expect to be paid, but would give in their gratuitous labor a handsome assistance to their own staff and to the scheme. There would be no expenses incurred for advertising or for collecting the premiums or paying the amounts due, and the investments of the fund in hand, which form considerable items among the charges which have to be met by insurance offices, could also be carried out in the most favorable manner.

Bank officials should thus be able to obtain the advantages of such a fund on better terms than those persons who take out ordinary policies of insurance for such purposes. The fund would thus be a mutual insurance association, those who joined in it being persons who had all passed the medical examinations required by banks on admission. The complete staff of any one bank would probably not furnish a

sufficiently large number to carry the plan out effectively, as any insurance scheme requires a considerable number to provide a suitable average. But if the scheme were taken up by larger banks, and there is no reason either why all banks should not be included, an adequate field might be attained.

In time also probably some assistance might be given by the governing bodies of the banks themselves, for those who help themselves earn the respect and frequently the co-operation of others. It has been well said, "The object of insurance is to spread the burden of losses, which to the individual would be crushing, over a large body of insured, and so render that burden easy to bear." The complete value of mutual insurance cannot be measured by figures. It represents the great principle of self-help, which fosters above all things the sense of common interest, the basis of the strength of our industrial life.

Aldrich Plan to Stop Panics

The currency reform plan advocated by Senator Aldrich was indorsed as a "panic preventer" by President George M. Reynolds of the Continental National Bank in an address at Calvin Durand commons, Lake Forest University, Tuesday night.

"Our present system of banking was outgrown twenty-five years ago," Mr. Reynolds said, "and because it so crippled and handicapped American trade and commerce we had the panic of 1893. Although few people knew of it, we came near having another panic last winter, when money in the shape of grain was tied up by bad weather."

Mr. Reynolds said he believed Senator Aldrich was sincerely trying to serve the people and not the money interests. He predicted that under the new system America would lead Europe in magnitude of its banking interests and that Chicago would supplant London as the financial center of the world.

Ex-Presidents of Illinois Bankers Association Dine

Nearly all of the ex-presidents of the Illinois Bankers Association met in Chicago Monday night for their annual banquet. The present president, E. E. Crabtree, was the guest of honor. This event is very highly prized by the distinguished men who have come up through the chairs of the Illinois association.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

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Cedar Rapids, Iowa

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Des Moines, January 26.—The banking reform plan of Senator Aldrich has proved a fertile topic of conversation among bankers of Iowa the past week. If the sentiment of all Iowa bankers is similar to that of leading Des Moines bankers, the proposed plan looks good to the financiers of the state. It seems to be the consensus of opinion that the plan will eventually wipe out state banks and on that account, it is probable that the owners of these institutions will not take as kindly to the scheme as do the national bankers.

Arthur Reynolds, president of the Des Moines National and a recognized authority on currency reform is quite in favor of the proposed system. He believes that it will tend to put state and savings banks under government control which, in his opinion will make them better protected and give them better facilities. Mr. Reynolds has opposed the central bank of issue and believes that the Aldrich plan is much better.

Points Out Advantages

"The recommendation for a central association is fine," says Mr. Reynolds. "It will in effect be a central bank with numerous branches and will afford every bank the same protection. The bank with a small capital will have the same protection as the larger one. The central bank as proposed would have given the reserve centers protection but would protect the smaller institution only through the reserve centers. Under the proposed plan, state and savings banks will be quick to apply for national bank charters which would permit them to do a general banking business and in addition rely upon the central association for relief in time of need."

Homer A. Miller, president of the Iowa National, regards the provision for making mortgage loans on real estate by conducting a savings banks department as one of especial attraction to the average banker. Other bankers regard a single banking system as preferable to the dual system now in effect throughout the United States.

Bank Taxation Bill

Here is an important bill on bank taxation introduced in the house of representatives by Jacobs of Calhoun: "Shares of stock of national banks and state and savings banks and loan and trust companies shall be assessed to the individual stockholders at the place where the bank is located. At the time the assessment is made, the officers of national banks and of state and savings banks and trust companies shall furnish the assessor with a list of all the stockholders and the number of shares owned by each and he shall list to each stockholder under the head of corporation stock the total value of such shares. To aid the assessor in fixing the value of such shares, the corporation shall furnish him a verified statement of all the matters provided in Section 1321 of the Supplement to the Code 1907 which shall also show separately the amount of capital stock and the surplus and undivided earnings and the assessor from such statement and other information he can obtain including any statement furnished to and information obtained by the auditor of state which shall be furnished him on request, shall fix the value of such stock taking into account, the capital, surplus and undivided earnings. In arriving at the total value of the shares of stock of such corporations, the

amount of their capital actually invested in real estate owned by them and in the shares of stock owning only the real estate or in which the bank or trust company is located shall be deducted from the real value of such shares and such real estate shall be assessed as other real estate and the property of such corporations shall not be otherwise assessed."

The committee on banking in the Iowa house of representatives is headed by Karl Johnson, a well known Osage banker. His associates are Representative Beebe, Beane, Ripley, Moore, Bowman, Dewey, Felt, Finlayson, Schee, Brown, Crist, Campbell, Brady, Grout, Hogan, Hutchins, Hixon, Koontz, Dabney, Kull, O'Connor, Fletcher, Griggs, Leach, Murtagh, White, Linnan. This includes every banker in the lower body of the legislature.

Identified by His "Load"

Here is a story from Mason City, vouched for as accurate. A man appeared at the window in the First National of that city and demanded that the cashier draw on the First National at Lyle for \$10.

"Have you an identification?" asked the wary cashier.

"I have no cards but if you will call up the bank at Lyle, I'll pay for the telephone message," was the reply.

The cashier stepped to the phone and told the Lyle banker the name given by the man.

"He has but 18 cents and wants ten dollars," he said to Lyle.

"Is he loaded?" was the question that came at once from the Lyle cashier.

"Yes, and to the guards," was the reply.

"It's him; give him the money."

Important Banking Decision

The Iowa supreme court has handed down an important bank decision in holding that the shares of stock in national banks are not assessable because if they are taxable, national banks would be discriminated against in favor of state and savings banks which are not thus assessed. Two judges handed down a dissenting opinion to the effect that the capital alone is taxed in state and savings banks and that there would be no discrimination. The appeal was taken by the First National of Estherville which brought suit against the city council as a board of review. The lower courts held against the bank but the latter took its case to the higher court and has won the day.

Two bills have been introduced in the Iowa legislature that are of particular interest to bankers. One is the bill of Senator Webber, of Ottumwa for the repeal of the tax ferret law. The other is the bill abolishing the office of school treasurer, introduced by Senator Hammill of Britt. The Webber bill provides that county supervisors shall not make contracts with tax ferrets but provides that county treasurers may investigate taxes and accomplish the same results in the main as are now accomplished by tax ferrets. Whether this is sufficient relief is a mooted question but bankers are inclined to believe that if the bill is enacted it will help considerably. As the office of school treasurer is usually held by a banker, it will be seen that the Hammill bill is of wide interest.

Bills were introduced in the senate and house providing that funds in savings banks may be invested in bonds and notes secured by mortgages on unincumbered Iowa real estate or

The Chatham National Bank

NEW YORK CITY

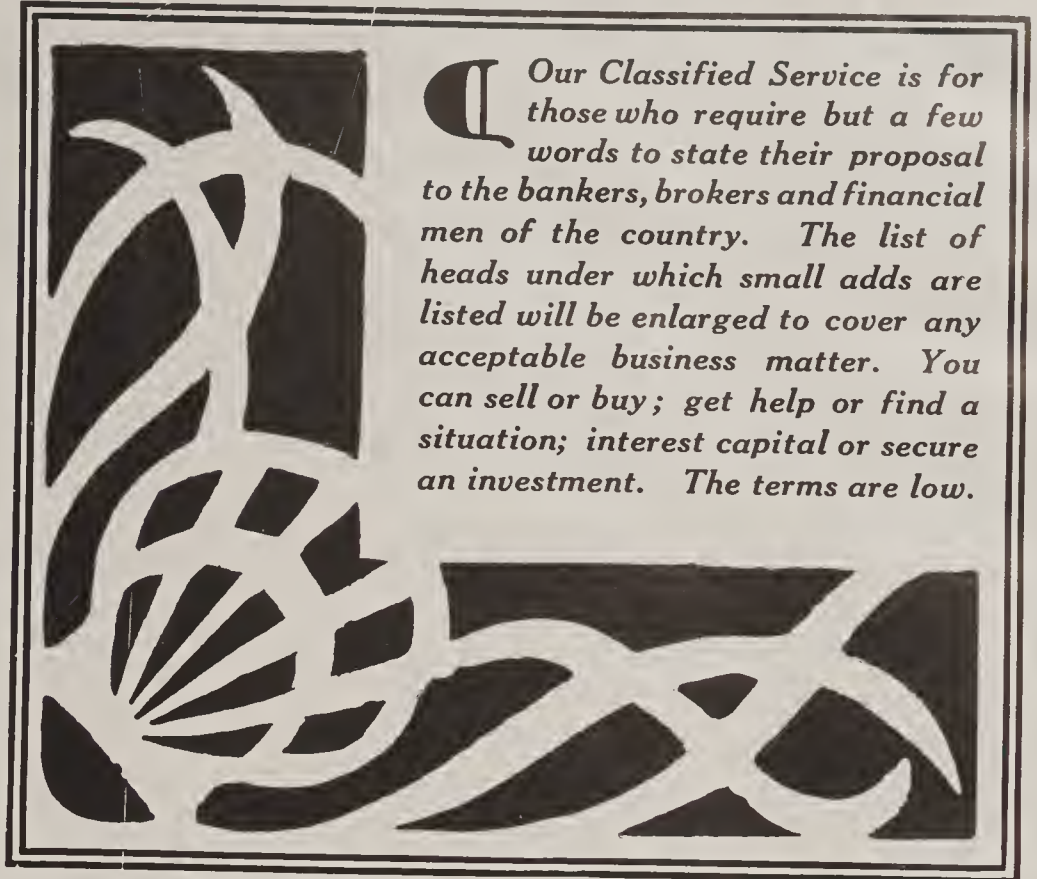
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land in adjacent states worth twice the amount of the loan. Also other bills provide that where two or more persons have a joint deposit in a savings bank and one draws the money out if he is given a receipt or is personally known to the banker, the withdrawal releases the bank from all liability to the other person interested in the deposit.

Reports from Decorah bear out the suspicion of the first week of the postal savings bank that the people are not falling over themselves to put their funds in the hands of Uncle Sam. The post office officials are saying nothing but it is generally understood at Decorah that there are very few deposits being made and none of the deposits are of large amounts, so it is reported.

Death of a Banker

Sidney W. Richardson, president of the First National at Creston and one of the leading central Iowa bankers died in the hospital at Creston of uraemic poisoning. He had been ill for two weeks but his condition was not thought serious until a short time prior to his death. Mr. Richardson was 53 years of age and had been for sixteen years at the head of the bank in which he owns a controlling interest. He is survived by a widow and one son.

Edward A. Slininger, cashier of the People's Savings Bank for the past eight months has been made a member of the board of directors. For seventeen years he has been with the institution in which he started as messenger boy.

The German State at Dyersville has voted to erect a new bank building in the summer. All the officers were re-elected.

E. C. Purdy has resigned as cashier of the Commercial State at Independence after eleven years service. M. O. Fouts, formerly pension examiner at Milwaukee has been chosen cashier.

Lawyer Moving to Chicago

Charles L. Powell, brother-in-law of George M. Reynolds, of Chicago, who represented the Des Moines National banks in their suits before the United States supreme courts to secure exemption from assessment on government bonds, will remove from Des Moines to Chicago. He will enter the law firm of Meyer, Meyer, Austrian & Platt.

J. H. Hockett has resigned as cashier of the LeGrand Savings at LeGrand to become cashier in a big furniture store in Des Moines.

The Des Moines Bankers Club had an espe-

cially enjoyable session last week. State Senator J. U. Sammis was the chief speaker of the evening. Senator J. F. Webber of Ottumwa and former State Senator G. M. Titus of Muscatine, both interested in repealing the tax ferret law, were guests of the club.

William Shattuck has retired as president of the First National of Garner and Representative A. C. Ripley will succeed him. E. C. Wickham has been made vice-president and F. M. Hansen, cashier.

Miss Rachel Clark of Des Moines has been named director for the University State Bank of Des Moines. She is said to be the only woman on the directory board of any of the larger banks of the state.

Martin Klang, thought to be insane, has been arrested at Forest City where it is charged he tried to shoot B. A. Plummer, president of the First National of that city.

Old Cashier Resigns

C. O. Harrington was for thirty-eight years cashier of the Farmers National of Vinton. He has resigned and Assistant Cashier George D. McElroy succeeds him while Frank Gerberich becomes assistant cashier. It is stated that Mr. Harrington has been an active cashier longer than any other cashier in the state.

N. E. Isaacs has been elected president of the First National at Thompson succeeding C. H. Kelley.

The prospects of a third bank at Hopkinton have vanished and the banking war is said to be over through the selling of a controlling interest in the Farmers State of that place to the "insurgents," A. W. McDonald and W. S. Johnson. Johnson has been elected president and McDonald cashier.

G. D. Ellyson of the Commercial Savings of Des Moines had the tonsillitis instead of the typhoid and is practically recovered.

Homer Miller of the Iowa National, Des Moines has returned from New York where he attended the meeting of the directors of the Chicago & Northwestern railroad.

F. F. McElhinney, president of the Black Hawk National at Waterloo, has purchased a controlling interest in the First National at Berwick, and has been made president, according to rumors from Waterloo.

As has been predicted Senator Quincy, of Kansas, has introduced his bill on bank guaranty providing a way for national banks to participate in the state guaranty fund.

Bank Stock Quotations.

Among the more active Chicago bank stocks quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK	Investment Return
American Chicle (com).....	226	233	7.76
American Chicle (pfd).....	101	104	5.77
Am. Fork & Hoe Co. (com).....	116	118	5.08
Am. Fork & Hoe Co. (pfd).....	124	126	5.56
American Laundry (com).....	31	33	....
American Laundry (pfd).....	105	109	6.42
*Am. Light & Tract. (com).....	282	287	3.48
*Am. Light & Tract. (pfd).....	103	106	5.66
Amer. Type Fd'rs (com).....	41½	42½	9.41
Amer. Type Fd'rs (pfd).....	97½	101	6.93
Beatrice Creamery (com).....	87	90	6.67
Beatrice Creamery (pfd).....	87	90	6.67
Bordens Cond Milk (com).....	123	125	6.40
Bordens Cond Milk (pfd).....	105½	107½	5.58
*Butler Bros.	245	250	4.00
Cities Service (com).....	64	65	4.62
Cities Service (pfd).....	76	78	7.69
Congress Hotel (com).....	84	90	....
Congress Hotel (pfd).....	65	71	7.04
Creamery Package Co.....	101½	102½	7.80
Cumberland Tel. Co.....	146	147½	5.42
*Diamond Rubber Co.....	247	251	5.58
Elgin National Watch.....	154	157	5.10
First State Pawnors.....	109	116	5.17
General Motors (com).....	32	33	....
General Motors (pfd).....	66½	68	10.20
National Grocer (com).....	30	32	6.25
*National Grocer (pfd).....	81	84½	7.10
National Safe Deposit Co.....	130	136	4.41
N. W. Gas Lt. & Coke Co.....	88	89½	6.70
North Shore Electric Co.....	80	82	4.88
*Northwestern Yeast Co.....	382	395	3.04
Union Carbide Co.....	106	107	7.48
U. S. Gypsum (com).....	10½	12	....
U. S. Gypsum (pfd).....	76½	78	6.41
U. S. Motor (com).....	38	40	....
U. S. Motor (pfd).....	69½	71	9.86
Western Electric Co.....	215	225	3.56

*Ex. Dividend.

Bank Guaranty Urged in Indiana

A bank guaranty law for Indiana conforming to the plan of some of those in far Western states has been drafted and has the approval of leading democrats in the legislature. It provides for the assessment of the daily deposits of state banks to become a guaranty fund in the hands of the state.

Wachovia Banks Merge

Announcement is made that the Wachovia National and the Wachovia Loan & Trust Company of Winston-Salem, N. C., have consolidated with a capital of \$1,250,000 and surplus \$300,000. The officers are: F. H. Fries, president; James A. Gray, vice-president; Henry F. Schaffner, treasurer, and James A. Gray, Jr., secretary.

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

National bank federation under the plan suggested by Senator Aldrich has been approved in a general way by those Kansas City and Central West bankers who have had the time to study it. The recently organized Kansas City and St. Joseph National Currency association is intended in a restricted way to carry out some of the ideas given out by Senator Aldrich, and President J. F. Downing, of that association, who is president of the New England National Bank of Kansas City, is favorably disposed toward the Aldrich plan. When asked to give his opinion Mr. Downing said:

"The new proposition of Senator Aldrich needs study to thoroughly master its details, and there has hardly been time for bankers to understand the thorough workings of the plan since its publication. However, I am inclined to view it with favor, but in making this statement I wish to be understood as not indorsing it in detail. It closely approaches the central bank plan, with some of the features to which objection has been made as to a central bank, eliminated. As proposed the federation takes the place of the central bank. It is in reality a central bank without that name. I am in favor of such a bank. This country needs such an institution, and Senator Aldrich seems to have shown the way to put our financial system on a sound financial basis. We are way behind the times as regards a proper national currency system. Every civilized nation in the world is ahead of us in this respect. Japan started off with our system but had to abandon it.

Panics a Thing of the Past

"As the plan appears at first glance, it is proposed to pass up bank collateral to the big national center, this collateral being guaranteed by the branches through which it passes. Upon this currency may be issued, etc. With such a plan in operation panics would be a thing of the past. No sound bank could fail. Runs on sound banks would be an unknown thing. Why? Because with such a law in operation the bank could put its assets into cash immediately, pay its depositors in full when demand was made without sacrifice, and with such a condition existing there could be no panics. They do not have them in other countries with the central bank system and we would not have them here. There will be some discussion as to the government of such an institution as is proposed. That, bankers do not yet understand. As to the governors being appointed by the President, that might possibly give a political tinge to the affair, but as they would be removable for cause that objection may be put aside for the present. The proposed institution must be free, in the minds of the people, of all control of Wall Street or any particular section of the country or financial interests, and the manner of choosing the directors is one of grave import for the success of the plan if it is finally adopted. To allot representation in accordance with the stock interests would be to give control to the larger institutions. If the plan is to have directors from the various reserve centers, then such a suggestion has much merit, as the representation would be equalized throughout the country and sectionalism, or Wall Street domination, removed.

Currency Associations a Basis

"I would not be surprised if it were not in the mind of Senator Aldrich to use the national

currency associations as the basis for starting the plan. There are at present about fifteen such associations located in the various financial strongholds or reserve centers and the plan seems to be patterned in a measure after the mode of operation which would be followed in case the currency associations were called upon to act. As to whether it would be advisable for other than bankers to be on the various boards is a debatable question, as a man might be proficient in a certain line of business and yet not be adapted to guide banking affairs, just the same as a banker might be lost in some particular line of business. There are other features which will require discussion, broad discussion and consideration, but we must go into the consideration of the plan with the idea that in principle it is sound, and will be an effective bar to panics and in line with financial soundness. Having adopted this idea, then the matter of detail may be adjusted with satisfaction to the banking and business world. It puts a bank's assets into immediate available cash when necessary. Nothing could be a greater safeguard to business or depositors."

Board of Directors Named

The board of directors of the Interstate National Bank of Kansas City has been selected as follows: Charles W. Armour, president of the Armour Packing Company; Charles Baird, J. R. Burrow, president of the Central National Bank of Topeka; W. H. Burks, cashier Security State Bank of Wellington, Kan.; Lee Clark, chairman of the board; R. M. Cook, vice-president and John M. Cragin, president of the First National Bank of Joplin, Mo.; D. W. Evans, discount teller; H. S. Ferguson, Henry C. Flower, president Fidelity Trust Company, Kansas City; John J. Grier, William C. Henrici, cashier; George S. Hovey, president; Thomas G. Hutt, L. E. James, Henry Laird, M. A. Low, Topeka; C. F. Morse, president Kansas City Stock Yard Company; W. M. Peck, cashier Cloud County Bank, Concordia, Kan.; E. B. Stevens, president First National Bank, Parsons, Kan.

Committees of the state banking associations of Missouri and Kansas were in Kansas City the past week making arrangements for the annual joint meetings in Kansas City May 24th and 25th. The Kansas association was represented by W. H. Burks of Wellington, president; W. W. Bowman of Topeka, secretary; W. M. Peck of Concordia, vice-president and M. H. Mallott of Abilene, treasurer. Missouri's representatives were: A. O. Wilson, St. Louis, president; A. H. Waite, Joplin, vice-president; W. S. Keyser, Sedalia, secretary, and R. R. Calkins, St. Joseph, treasurer. Indications point to the largest attendance this year since the joint meetings were instituted.

Since the decision of the supreme court sustaining the validity of the Oklahoma bank guaranty law, the Oklahoma state banks have been rushing in their 1911 assessments to the state banking board. Many of the banks have been holding back for fear that, if the decision was unfavorable they would not get their money back. M. M. Henderson, secretary of the state banking board, reports that 85 per cent of the state bankers have sent in their assessments. They have until March 10th to do so.

Robberies Lead to Organization

On account of the many bank robberies in Kansas it is likely that the smaller banks will either join the Bankers Protective association

or start a similar institution on their own account. State bank commissioner Doley is working hard to arouse the smaller bankers of Kansas to the necessity of doing something to protect themselves against robbers. Within the last six months about forty small Kansas banks have been robbed and none of them delonged to the Bankers Protective association. Each of the robbed banks saved \$25 a year by keeping out of the association, but they lost in the long run.

The stockholders of the Western Exchange Bank of Kansas City have filled the vacancy on the board of directors by the election of J. Q. Watkins, county collector. This makes the personnel of the board: J. Z. Miller, Jr., Henry L. Waldo, D. S. McGonigal, H. Koehler, William H. Lucas, William T. Johnson and J. Q. Watkins. The new officers are: J. Z. Miller, Jr., president; William T. Johnson, vice-president; H. Koehler, cashier; C. F. Adams, assistant cashier. Mr. Miller is also vice-president of the Commerce Trust Company, and recently bought a controlling interest in the Western Exchange Bank from Jere S. Lillis, who has retired from the banking business.

Prosecution of Cashier

M. E. Church, former cashier of the Holyrood State Bank of Elsworth County, Kan., is being brought back to Kansas by Sheriff R. W. Bradshaw of Elsworth County, from Bakersfield, Cal., where he was arrested charged with making false entries on the bank books and receiving deposits when the bank was insolvent. For several years prior to a year ago F. E. Thomas was cashier of the Holyrood Bank, and it was through a bucketshop partnership with M. E. Church that the shortage occurred. Thomas resigned as cashier and Church was elected in his place. Church, it is alleged, knew all about the shortage of Thomas, which amounted to about \$65,000, and covered up the condition of the bank. When a bank examiner went over the books of the bank Church left, and his whereabouts was unknown until he was arrested at Bakersfield. Thomas was never located. D. L. Church, father of M. E. Church, was president of the bank when the shortage was discovered, and he turned over \$35,000 worth of farm lands. This ruined the aged man, and the bank leased him a small plot of land upon which to make a living.

American Union Trust Opens

The newest financial institution of Kansas City, the American Union Trust Company, opened its doors for business Monday morning, January 23d. Its home is in the remodeled banking rooms of the New York Life Insurance Company building, and for months the workmen have been transforming these quarters until every detail of arrangement and ornamentation is perfect. This institution was chartered some time ago, but the opening for business was deferred until the banking quarters could be completed. The morning of the opening all the officers were at their desks, and all the desks were almost buried in flowers. A gratifying number of accounts were opened the first day. The president of the American Union Trust Company is H. W. Richardson, the organizer who has had wide banking experience. The other executive officers are: Vice-president, Harry L. Coombs; vice-president, H. H. Hettinger; secretary, A. W. Ehrlich; treasurer, George W. Allison; assistant treas-

urer, E. J. Hilkey; assistant secretary, F. L. Johnson; trust officer, Judge J. W. Thompson; general counsel, Ernest D. Martin. In the department handling stocks, bonds and investments, J. A. Roberts is chief and Charles Ross Dale is assistant. Joel I. Adcock will look after the real estate department and Frank L. Johnson will have charge of the safe deposit and storage vaults. The directors are: George W. Alison, Lanville A. Brown, Harry L. Coombs, A. W. Ehrlich, A. R. Fuller, J. R. Greenlees, E. Lee Harrison, Joseph D. Havens, H. H. Hettinger, E. J. Hilkey, Charles H. Hill, Frank L. Johnson, John E. Lach, Ernest D. Martin, J. C. McDowell, James Muir, H. W. Richardson, T. A. Robert, J. Sidney Smith, J. W. Thompson and Fred Weber.

Two of the Newest Books

"Opal," a novel by Bessie R. Hoover (publishers: Harper Bros.), is a love story of real life among the humble folk of a Michigan town, and the author depicts types of working people who are devoid of all pretense and artificiality with a real sympathy for her subject. The heroine, youngest daughter of the Flickinger with whom Miss Hoover's readers have already become acquainted in "Pa Flickinger's Folks," has been well educated and is quite a young lady when this story begins. Her efforts at reforming the grammar, table manners, and general conduct of her people and their equally determined resistance to anything that will change their old, established customs are described with a skilful contrasting of the simple, natural impulses of the latter and her own acquired ideas. Opal wishes her family to reach the standard set her by a certain young man who reciprocates her interest, although they are estranged for some time. The story is full of humorous and at the same time pathetic situations,—the humorous is blended so well with the pathetic that the reader is kept wavering between joy and sorrow, but after all, humor is uppermost. The story is full of such good common sense and wholesomeness that is well worth the reading, and the happy ending which is accompanied with the tune of wedding bells is a fitting denouement to the whole. The price is \$1.20 net.

"Gwenda," by Mabel Barnes-Grundy, published by the Baker & Taylor Company, is a story of modern, up-to-date English life, and has instead of the usual conventional pair of lovers, two pair; only one pair fails, while the other, following, succeeds. The book is written in the form of letters instead of chapters,—one of the best ways to acquaint the readers with the heroine, for she writes all of them and wins the interest by her own striking personality and quaintness. The book is full of fun, humor that is all the more enjoyable for being unexpected. There is plenty of warm, not burning, sentiment, and a plot that is well arranged and greatly enlivens the book. Other books by this author are "Hazel of Heatherland," "Dimble and I," "Hilary on Her Own," and other books of fiction. This latest book, "Gwenda," sells for \$1.50.

"A Life for a Life"

In the greatest relief one may turn from the light and trifling novel of the day to any of the recent works of Robert Herrick. "Together" set people to thinking and now comes "A Life for a Life" of still more important and serious aspect. It probably is his most significant work, and deals with present day America. The conflict of regenerating and destroying forces in society is the key note. Not many characters are introduced to the reader but they seem real and earnest. Each is an individual before you get far into his pages. The finish is not of the quickly forgotten kind. Herrick arouses new views and new mental activities. The purpose-

fulness of Mr. Herrick's work has been recognized for some time and those who read his previous book, "Together," do not need to be assured that "A Life for a Life" is a novel of interest. In a recent number of the The North American Review, W. D. Howells concludes an exhaustive analysis of Mr. Herrick's writings with these words: "Mr. Herrick's fiction is a force for the higher civilization which, to be widely felt, needs only to be widely known. What I should finally say of his work is that it is more widely based than that of any other American novelist of his generation." A most graceful tribute to a young worker in the field.

Published by the MacMillan Company, New York. Price at all book stores, \$1.50.

Another Wallingford Story

There is a new story—"The 43d Pumpkin" out by George Randolph Chester, author of the "Get-Rich-Quick Wallingford" stories. It is complete in the February Lippincott's with a lot of short stories which go to make up the best reading magazine published.

No Extra Session

Washington, January 24.—Contrary to the general opinion in the West, it is commonly understood here that there will be no extra session of congress. Neither party desires to take up such important matters as tariff revision and monetary reforms in a summer session. The one promise that comes from Democrat leaders is that they will not attempt radical legislation. They are unprepared for quick action on the two great problems confronting them and are wise enough to admit this fact.

Republican leaders are well aware that no satisfactory tariff and money bills can be shaped up in the time which would be at their disposal in an extra session. Men who are experienced in Washington will not stay here through the entire summer except under compulsion. President Taft is believed to have given up all thought of calling congress together after the March adjournment and in coming to such a conclusion he is supported by the wishes of both parties and the business interests of the country.

Tariff and currency bills are likely to be brought forward next winter and will put both the great parties to a test in statesmanship. The 62d congress will be a notable one, and its acts will have a bearing on the business of this country. The election of 1912 will be governed to a great extent by the record made by the rival parties. In connection with this fine political game which must be played a revision of the tariff and the financial laws will have a direct effect on the prosperity of the United States. By the fall of 1912 people all over the country will have their minds made

up whether to trust the Democratic party with full control of the government or not.

The tariff will be revised downward next time, but no one should get the idea that the work can be done in a day. It will be a matter of a year at best. At this time it would seem to be impossible to frame an adequate currency law inside of two or three years.

Exports of Coal Growing

Coal is becoming one of the important articles of exportation in the foreign trade of the United States. The important items of exportation are: Cotton, approximately 530 million dollars; meat and dairy products, 130 million; copper and mineral oil, about 94 million each; lumber, about 40 million; corn about 28 million; wheat, approximately 23 million; leather, 38 million, and tobacco, 36 million. While, of course, cotton, meats, copper and mineral oil are of much larger value in their respective totals, coal now exceeds in value of its exportations corn, wheat, tobacco, lumber, leather and numerous other articles which have been looked upon as important factors in our export trade, and the growth in the exportation of this article, coal, has been more rapid than that in many other leading articles of exportation.

About one-third of the 45 million dollars' worth of coal exported, or say 15 million dollars' worth in round terms, is anthracite; about 27 million dollars' worth bituminous coal, and about 3 million dollars' worth coke.

Would Include State Banks

The National Board of Trade has adopted resolutions favoring membership for state banks as well as national in the proposed reserve association.

The resolutions declare in favor of "a central banking organization" on the following principles:

"1. That such central organ be a corporation endowed with a large stock capital and not merely an association of banks.

"2. That its stock capital be owned by incorporated or state charter, willing to assume equal duties as a basis for equal privileges.

"3. That its administration be divided between the government the member-banks and the commercial classes, in a manner which will safeguard against individual, sectional or political domination.

"4. That its business be limited to transactions with the government and with the incorporated banking institutions which become stockholders, i. e., member-banks.

"5. That dividends on its stock be limited to a fixed moderate return and profits in excess of such dividends, after providing for a reasonable surplus and emergency fund, be turned over to the government.

"6. That its business be conducted through the branches to be established in the banking districts into which the country shall be divided, the member-banks of the several districts constituting joint associations and sharing in the administration of the branches.

Security Selling Below Par Proper

E. K. Boisot, vice-president of the First Trust & Savings Bank of Chicago, testified before the Railway Securities Commission that any federal regulation should allow latitude in the selling of securities below par. This, he said, was essential to promote the extension of small railroads between small towns.

A. J. Merickel and W. D. Merickel of Wadena, Minn., have sold the First State of Eagle Bend to J. A. Thronson of Clear Lake, S. D. The Merickels control the First National of Wadena and banks at New York Mills and Sebeka, Minn. Mr. Thronson is associated with John Swenson and others in controlling five banks in the two states.

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☐ I am desirous of having either a silent or active partner, who can furnish the above amount, and be in a position to finance an additional \$25,000.00 if so required.

☐ To establish a Specialty Retail Store on State Street, Chicago, (Dry Goods line). There is no other store of its kind west of New York. I feel reasonably sure that I can show a profit on the investment of from

75 TO 80 PER CENT.

☐ This is really a big opportunity for a safe investment, and general business conditions were never more favorable than at present for the success of a store of this character. The merchandise is always in demand.

☐ Personally I have not the money, but have the *executive ability*, as well as a thorough knowledge of the merchandise, and know what can be accomplished. Can furnish any amount of references as to my reliability and earnestness. Principals only; no promoters.

Address, S-151 Chicago Banker.

SITUATION WANTED

By thoroughly experienced lady stenographer, brokerage, credits and statement work. Well educated, neat dresser. A 1 references address B-5, Chicago Banker.

Phonograph. New. Cost \$200. Sell for \$110. Address, D-136, Chicago Banker.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

For Sale. 57 long focus Seneca No. 9, case and 6 Premo holders. Cost \$50.00. Sell for \$25.00. Like new. D. 721 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/4 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE

For Sale. Two safe deposit vaults. One medium size, suitable for banks, also one large vault with two entrances. Also two bank chests. For particulars, address, Max Schubert, 757 Washington Avenue, No., Minneapolis, Minn.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

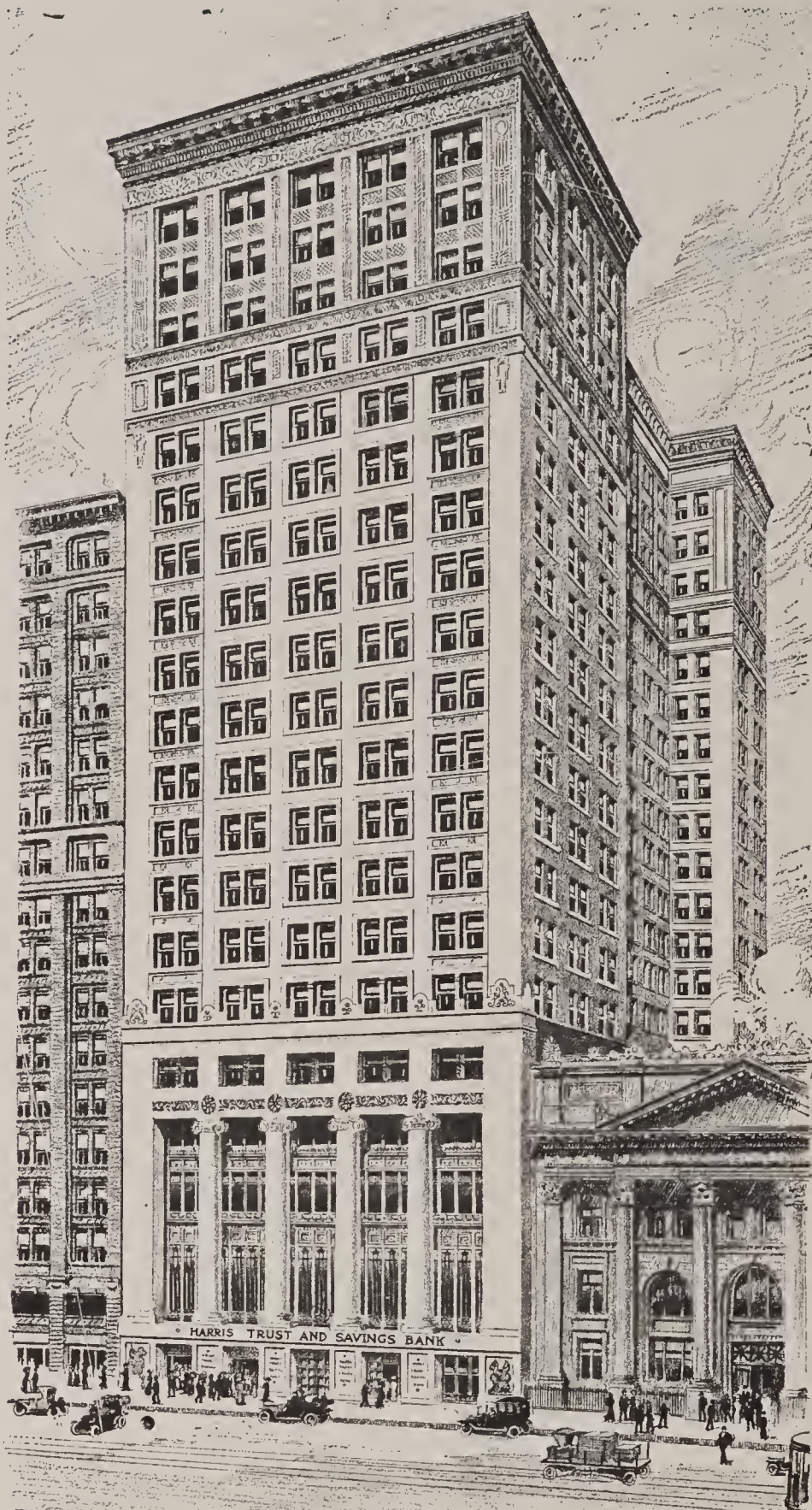
The Use of Lon Credit in Modern Business. By THORSTEIN B. VELEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

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Special Banking Services

THIS bank makes a specialty of handling inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment or circulation purposes. ☐ During the past twenty-eight years its officers and directors selected and purchased, after careful investigations, over **one thousand million dollars** of bonds, which have been sold to a constantly growing list of conservative clients. ☐ In buying bonds of this institution the investor secures the benefit of the extensive experience and trained judgment gained through the selection of this large amount of safe investment. ☐ The special character of our business permits of liberal interest terms on inactive or reserve accounts of banks, bankers, corporations, firms and individuals.

Harris Trust and Savings Bank

ORGANIZED AS N. W. HARRIS & CO. 1882. INCORPORATED 1907

204 Dearborn Street, Chicago

AFTER MAY 1, 1911, WILL BE LOCATED IN NEW HARRIS TRUST BUILDING

Mainly About Banks and Bankers

(Continued from page 3)

RICHARD WANGELIN, our youthful friend at Belleville, Ill., reports close to two millions in his savings bank. Mr. Wangelin has not missed a convention of the Illinois Bankers Association in the 21 years of its existence.

W. I. PRINCE, cashier of the City National, Duluth, reports close to three millions in deposits. The City National is a leader in the far Northwest.

STATE BANK OF CHICAGO has \$23,739,212.17 in deposits. Its savings business has grown rapidly. In total deposits the gain for 1910 was \$3,200,000, which comes near to violating the speed ordinance for "conservative banking."

CONTINENTAL AND COMMERCIAL NATIONAL, Chicago, shows \$86,528,324.39 in deposits from banks. Just think that over, you fellow who "do not solicit country business."

GEORGE B. CALDWELL, manager of the bond department of the Continental and Commercial Trust of this city addressed the Marquette University College of Economics recently on his pet hobby of "Stocks and Bonds." He touched upon the new commerce court of the Interstate Commerce Commission, and evidently believes it will be a useful ad-

MR. CALDWELL paid a high tribute to the Wisconsin commission and hoped a law might be passed in Illinois and Wisconsin similar to that in Michigan and Indiana, making municipal bonds issued within the state tax exempt.

MERCANTILE TRUST AND MERCANTILE NATIONAL, St. Louis, report jointly \$38,500,000 in deposits. Growth has been steady at all times.

CONTINENTAL NATIONAL, Indianapolis, only began business in 1909, and the first call had \$242,000 in deposits. It now reports \$1,188,896.39.

OTTUMWA NATIONAL, AND WAPELLO COUNTY SAVINGS, Ottumwa, Iowa, report jointly more than \$1,250,000 in deposits.

MR. JOHN FLETCHER will continue as the active executive officer of the Drivers Deposit National Bank.

EDWARD TILDEN, President.

ABOVE paragraph is quoted from the announcement sent out over the signature of Edward Tilden. A generous man thus gives credit where credit is due, and modest John Fletcher would have been the last one to proclaim it for himself. There are two—no, two and one-half times two—mighty nice men in that bank.

HALF of the stock and all of the big surplus of the First National, Kansas City, have been "earned."

WISCONSIN NATIONAL, Milwaukee, announces "special facilities for prompt collections on Wisconsin."

WE are teaching housewives how to pay bills by check, and put a stop to foolish errands. We have prepared a special circular of information called "A better way to pay bills." A request by 'phone or post card will bring it to you.—First National, Englewood.

"A COLLECTION of Newspaper Bank Advertising Copy" is the title of a booklet of the souvenir kind given out by the First National of Montgomery at the Alabama bankers convention. This is a new field and a useful one. The book is fully illustrated and any

local printer could make zinc etchings from the cuts and reproduce them at small cost.

WE do not know what our friends Cradick and Morrison may think of this free competition, but maybe there will be a field in preparing such booklets for the larger banks for convention uses. C. L. Chilton, Jr., is the author, a staff man of the First.

MORE than half the book is devoted to readers intended to teach the saving habit, the use of the safety vault, checking accounts and other commercial lines of conservative banking.

MARCUS P. BEEBE, president of the Bank of Ipswich, South Dakota, visited Chicago Friday last and handed out post cards advertising the Ipswich Bank and including the following suggestion as to his side line—"farming, and treats of the subject of alfalfa."

HE visited Mr. Edens, the farm member of the Central Trust staff, and gave him some stimulating "dope" on alfalfa, which Mr. Beebe says beats even a bank account. He is one of the back to the soil advocates to a finish.

B. F. HARRIS, Champaign, Ill., is off for a South American cruise by the way of the Panama Canal. He expects to be home again in March.

BENJ. L. BRUNER, secretary of state, has tabulated the 485 Kentucky state banks which show resources of \$102,666,352.55. The total deposits are \$65,978,939.81. The combined capital is \$20,917,940.66.

BEIERLIN & REYNOLDS, First National Bank building, have out a very attractive bond list, including municipal and corporation bonds with attractive yields.

J. A. S. POLLARD starts off his bank statement folder for the Fort Madison (Ia.) Savings Bank with the head lines: "This Bank is under State Supervision and is Examined Regularly by the State Bank Examiners." This is good advertising policy.

WALKER D. HINES, chairman of the executive committee of the Atchison, Topeka & Santa Fe Railway Company, contends, in substance, that rates must be advanced in order that surpluses may be increased for the purpose of raising money with which to protect the railroads from depreciation or obsolescence and to improve and extend.

R. L. RUTTER, vice-president and secretary of the Spokane and Eastern Trust Company, Spokane, Wash., and J. E. Ferris, assistant secretary of the Union Trust and Savings Bank of Spokane, were guests at the executive council dinner, given in the gold room of the Congress Hotel, the evening of January 17th. Mr. Rutter is a native of Philadelphia, but is not at all sleepy. Mr. Ferris is from Illinois, hailing from Carthage, and a brother of J. C. Ferris, president of the Hancock County National.

CONVENTION dates for 1911 as thus far announced are: Minnesota, Bemidji, June 20th; Missouri, Kansas City, May 24th and 25th; North Carolina, Kanauga Lake, June 21st, 22d, 23d; Texas, Dallas, May 16th, 17th, 18th. Illinois will meet at Springfield in October and South Dakota at Sioux Falls in June.

F. A. BLACKWELL, president of the Idaho and Washington Railway Company, Spirit Lake, Idaho, and who is interested in a number of banks in Idaho and Washington, visited Chicago last week and met many of the Illinois bankers who were in attendance on the council meeting. Mr. Blackwell is one of the strong men of Eastern Washington, and expresses a supreme confidence in the future growth and

development of that territory, and still believes that Horace Greeley's advice to young men is a good proposition to follow even at this day.

FRED B. GRINNELL, a director of the Old National, Spokane, and a dealer in real estate in a larger way, was also in Chicago with the Spokane crowd.

MICHAEL CODY, president of the clearing house association of Montgomery, in welcoming the Alabama bankers to that city, came out very strongly for supervised and inspected banking. Among other things he said:

"FOR more than forty years no patron has suffered the loss of a dollar by any organized corporate bank in this city. During all these years they have been profoundly cognizant of their responsibilities—they have known that upon the integrity and stability of banks, more than any other class, must depend the perpetuity of community confidence and business expansion."

CASHIER.

Motor Truck Supplants Money Wagon

For twenty-seven years the United States government has used a single money wagon, drawn by three handsome white horses hitched abreast, to transfer the newly-made greenbacks and postage stamps from the factory to the treasury and the postoffice department in Washington. But now the three white horses have been sent to the stable, and the old money wagon to the dump, while a modern motor truck has taken their place.

The old wagon, during all the years of its service, plied daily between the bureau of engraving and printing, where the money is made, and the treasury, and on every trip it was loaded with rectangular packages of twelve and one-half pounds each. In each package were 4,000 bills. If the bills were at the lowest denomination, the package was worth \$4,000. If of the highest \$10,000, it was worth \$40,000. One package of this value once rode in the wagon. On each trip throughout its career it was accompanied by five men heavily armed, four of whom rode in the wagon and one of whom was mounted. These men were carefully selected, as one might imagine. They were formerly non-commissioned officers of the army, and that they are the right persons for their peculiarly responsible task is proved by the fact that not a cent was lost from the wagon.

It would take a string of hay wagons twenty miles long to hold all the money that has been passed through the old money wagon. If the packages were piled one in top of the other they would make a monument 15 miles high. If the bills were placed end to end the string would be 250,000 miles long, or equal to ten times the distance around the world. They would carpet a road fifty feet wide from New York to San Francisco. Their weight in coal would supply the average family with fuel for 250 years. Had an expert begun counting this money in the time of Columbus he would have been half done when Mr. Taft was inaugurated president.

Swedish Savings Banks

According to statistical reports there were 431 savings banks in Sweden in 1909. The largest is the Savings Bank of the City of Stockholm, with 77,732 depositors having \$11,950,000 to their credit. The Savings Bank of Lund has 27,979 depositors and \$6,030,000 on deposit. The Savings Bank of the City of Gothenburg has 54,728 depositors with \$5,963,000. The total number of depositors for the whole country was 1,523,333, and their deposits aggregated \$203,800,000, an increase in the year of \$12,550,000.

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

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CHICAGO, ILLINOIS

The Audit Company of Illinois

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FOURTH STREET NATIONAL BANK OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,300,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

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If You Desire to Collect Your Out-of-Town Items
Promptly, Send Them to The National City Bank of Chicago

Correspondence Invited

The National City Bank of Chicago

Capital, Surplus and Undivided Profits \$2,000,000

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F. A. CRANDALL . . . Vice-President	W. N. JARNAGIN . . . Assistant Cashier
L. H. GRIMME . . . Cashier	R. U. LANSING . . . Mgr. Bond Dept.

The Girard National Bank Of Philadelphia

Capital,	.	.	.	\$ 2,000,000.00
Surplus and Profits,	.	.	.	4,318,000.00
Deposits,	.	.	.	43,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN Vice-President	JOSEPH WAYNE, Jr. Cashier
THEO. E. WIEDERSHEIM Second Vice-President	CHARLES M. ASHTON Asst. Cashier

To Satisfactorily Handle Your Business, You
Need a Philadelphia Account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

FEBRUARY 4, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Banking Opinion

"There is likely to be considerable idle capital for at least a month to come," said President Ernest A. Hamill of Corn Exchange National to a representative of the THE CHICAGO BANKER on Tuesday. "The year's volume of business will be fair, but hardly up to the average in my judgment. Things have taken a slow start, and three months of stagnation will make a decided difference in the sum total of trade."

"What influences are expected to improve the situation in the spring?" he was asked.

"Money will come into large and more general use with the close of winter. No doubt the railroads will absorb a great deal of idle money when the time comes for construction work. They will take a lot of this capital while it is cheap—more if the rate decisions are favorable than if they are unfavorable, of course. The railroads are not going backward. They must go forward even if they get a pretty hard blow from the Interstate Commerce Commission.

"While the corporations are expected to become the largest customers in the use of money the moment they set the wheels in motion there will be a general trade improvement, with some unavoidable expansion. Mercantile and manufacturing demands on financial houses will be heavier in the spring and to a considerable extent that class of business will be governed by the feeling in railway circles.

"General investment buying is helping the money market a little this winter. People are critical in a time like this, but they are willing and able to buy gilt-edge securities although the business of the country taken altogether is not at its best. The somewhat free buying of real estate and of high grade bonds this winter has had a steadying effect on money. It gives us a good basis to work on and with the spring improvement in sight bankers are confident that the worst is over. That feeling is tending to give the money market firmness. Naturally any signs of trade revival will stiffen quotations.

"Later in the year there will come the inevitable demand for capital with which to move grain and cotton. By that time there ought to be a sufficient readjustment of financial affairs so that the last half of the year will be the best.

More Bank Space

Owing to the continuous and rapid increase in the number of savings depositors, First Trust and Savings Bank has been compelled to make immediate provision for larger quarters.

Arrangements have been completed which will enable the trust department to occupy the large rooms located on the Dearborn Street side of Trust National Bank building and formerly used by Ely Meyer's tailoring house.

The apartments there vacated will be fitted up for and used by the savings department in addition to the present banking rooms.

Prominent in Bank Organization Circles



GEORGE R. WOOD
Van Buren, Ark.

President of the Arkansas Bankers' Association and cashier of the Citizens Bank at Van Buren. He has been a valuable worker in the ranks and deserves his preferment



JOHN G. SPANGLER
Mesa City, Arizona

President of the Arizona Bankers' Association and cashier of the Mesa City Bank. Mr. Spangler helped to bring his association up to a high standard of efficiency

Washington National Absorbed

The American Trust Co., St. Louis, has taken over the business of the Washington National, of the same city. President Van Ruyper of the American has invited all of the Washington National depositors to make themselves at home in the trust company.

Tour of South

Vice-President F. A. Crandall of National City Bank returned Wednesday from a months tour of the South. He spent most of his time in Arkansas and Alabama.

The trip was in the interests of the bank and Mr. Crandall came in touch with leading financial men of those and other states. He had an excellent opportunity to study conditions in the cotton belt and was strongly impressed with the prosperity which prevails. There is a confident feeling in business and agricultural circles.

While the cotton crop was not above the average the price was high, so that returns to farmers are large and there is promise of an increased acreage this year. Southern farm products are fairly diversified and land owners are keeping up with the times.

With the large returns from cotton the banks have an abundance of money. There is a promise of idle capital for several weeks and new industrial enterprises are finding rates unusually favorable.

Petit's Enterprise

The interesting news comes from Milwaukee that the Black property, comprising the block now occupied by the Waldheim Furniture Company, 407-411 East Water Street, has been bought by President L. J. Petit of the Wisconsin National Bank.

According to Mr. Petit's statement, a large office building as high as the adjoining Pabst building, will be erected on the site, the two lower floors of which probably will be used by the Wisconsin National Bank and the Wisconsin Trust Company, to enlarge their present quarters.

The property has a 60-foot frontage on East Water Street and runs 120 feet to the river. The purchase price is understood to have been about \$150,000.

It is not definitely known when building operations will be commenced. Victor Waldheim of the Waldheim Company says that he secured a five-year lease on the property on January 1, 1911, in which case he may continue to occupy it until 1916, if he desires to do so.

There is now only thirty-six feet frontage on the block between Wisconsin and Mason Streets on the west side of East Water Street not owned by financial concerns. Last week the First National Bank acquired the Brodhead and Iversen property at East Water and Mason Streets. The Marshall & Ilsley bank has purchased the property adjoining that purchased on Monday by Mr. Petit.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$9,500,000

Officers

GEORGE M. REYNOLDS - - - - President
RALPH VAN VECHTEN - - - - Vice-President
ALEX. ROBERTSON - - - - Vice-President
HERMAN WALDECK - - - - Vice-President
JOHN C. CRAFT - - - - Vice-President
JAMES R. CHAPMAN - - - - Vice-President
WM. T. BRUCKNER - - - - Vice-President
WM. G. SCHROEDER - - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - - Cashier
FRANK H. ELMORE - - - - Assistant Cashier
HARVEY C. VERNON - - - - Assistant Cashier
GEO. B. SMITH - - - - Assistant Cashier
WILBER HATTERY - - - - Assistant Cashier
H. ERSKINE SMITH - - - - Assistant Cashier
JOHN R. WASHBURN - - - - Assistant Cashier
RALPH C. WILSON - - - - Assistant Cashier
WILSON W. LAMPERT - - - - Assistant Cashier
DAN NORMAN - - - - Assistant Cashier
FRANK L. SHEPARD - - - - Auditor
H. LAWTON - - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

Corner Monroe and Clark Streets

Officers

JOHN JAY ABBOTT,
Vice-President

GEORGE M. REYNOLDS, President
CHARLES C. WILLSON,
Cashier

FRANK H. JONES,
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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228 La Salle Street

Chicago, Illinois

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital, - \$1,250,000
Deposits, \$10,000,000

Thoroughly equipped to handle all business pertaining to banking and invites the accounts of banks, corporations, firms and individuals

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LAWRENCE NELSON, Vice-President
HARRY MOORE, Cashier
ADDISON CORNEAU, Asst. Cashier
LLOYD R. STEERE, Asst. Secretary
J. J. RAHLF, Mgr. Foreign Exchange Dept.
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A. E. COEN, Asst. Cashier
LOUIS H. SCHROEDER, Mgr. Bond Dept.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

WM. A. TILDEN, Vice-President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
M. F. RITTENHOUSE
L. B. PATTERSON
WM. A. TILDEN
R. T. FORBES



Mainly About Banks and Bankers

RUMOR has it that States Attorney Weyman is about to sue for absolute divorce from the Chicago Tribune. Non-support and other allegations likely are to be made. Cross bill might contain about the same specifications—and each will be telling the truth.

RESPONSES indicates that the Nashville mid-year meeting of the council will be, in part, a society event—so many ladies going. The section councils likely will be called also, and taken together with the various committeemen, all entitled to go, the meeting will be large. President Watt invites “you all” to get there on Sunday morning.

THIS will give “you all” a fine chance to see the inside of Nashville’s famous churches and the golf links will be in full bloom at that date. Now, I guess you’ll take notice.

JOHAN C. RICHBERG, Chicago’s noted attorney and president of the Illinois Commission on Uniform Laws, will address a banquet meeting on the dangers of the initiative and referendum, Saturday evening, February 4th, at the Hotel LaSalle. Frederick V. Holman, head of the state bar association and J. Lawrence Laughlin of the University staff also will speak. All will be under the auspices of the Civic Federation.

A GAIN! If you are thinking over this savings bank question, don’t wait. The situation may not keep. Ask the First National, Peoria, about its success with the Savings Bank of Peoria. This is the finest end of the banking business.

NORTH SHORE NEWS (Evanston) has been saying some mighty nice things about Charles N. Stevens and his fine bank, the City National. Among the directors are such men as David R. Forgan, James A. Patten, and Mayor Joseph E. Paden.

ONE of the changes in New Orleans banking circles on the first of the year was the election of R. S. Hecht as trust officer of the Hibernian Bank and Trust Company. This institution is the largest trust company in the South and has for many years given special attention to its trust, bond and real estate departments—the position of trust officer is therefore a very important one and the many friends of Mr. Hecht will be pleased to learn of his flattering promotion.—Gulf States Banker.

MR. HECHT’S former Chicago associates will learn of his promotion with much pleasure. He is well known and kindly remembered by the Chicago Chapter A. I. B. boys.

GEORGE S. PARKER, president of the Live Stock National, Sioux City, Iowa, has remembered his friends with a very handsome calendar.

A FRIEND writes in and wants to know “how the Security National of Minneapolis can get its statement out on the street by 10 A. M. on day of call?” Probably Pomeroy

and Harrison sit up nights along about call time. At least one of their slower contemporaries alleges this.

THOS. H. GARDINER, “socialist,” of Los Angeles takes the Chicago Banker to task for a headline “The Government will Give the Postal Savings System a Try Out.” Mr. Gardiner cites statistics to show that postal banks always have been a success from the start. Most of what he had to say would start a controversy, if nothing more serious, in a bankers’ convention.

JOSEPH T. HOWELL, late of the Carnegie Trust, has gone back home where he is appreciated and where they do their banking with real money and real credits. He has been elected president of the Cumberland Valley National of Nashville, Tenn. Before going to New York Mr. Howell had built up the Fourth National successfully, in the same city.

CHASE’S paper, tired of being known widely as “the best paper of its kind printed in Omaha” will appear simultaneously hereafter in both Kansas City and Omaha. Nothing since the Lillis and Hyde episodes has created so much excitement at the mouth of the Kaw.

EDWARD F. LARSON, cashier of the Citizens State Bank, at Nampa, Idaho, is classed as a “booster” by his fellow townsmen. He learned the value of boosting in Iowa.

FORT DEARBORN NATIONAL has sent out a beautiful desk or wall calendar, the number pad being only about two inches square and tastefully mounted on aluminum.

OLD DETROIT NATIONAL and American Exchange National are one now, with deposits of \$20,000,000.

“BILLY” REED it was when he traveled out for the First at Pittsburgh. Los Angeles was his last trip of the kind. Then he went back home to “Old Smoky” and married the beautiful Miss Miller, daughter of Reuben Miller, one of the powers in the iron world. Now he is William McKennan Reed, president of the Third National. To a lot of the boys he’ll be just “Billy” for some time to come.

BUT twice in 1910 was the average price of twenty-five leading stocks so low as it has been since January 1st. This is, in a sense, a business barometer.

A GLIB-TALKING young man has been buying scholarships in business colleges with certified checks on the Continental National of Indianapolis—but taking always “the change” in small bills. Secretary Crampton has made him the subject of a special circular. “W. E. Story” is the name he has used.

“A CHARIOT OF FIRE” by Elizabeth Stuart Phelps sells for only fifty cents, but is worth ten times as much. It tells how a poor laboring man was enabled to reach a dying son by means of an automobile (the chariot) given to the service by its rich owner.

SECURITY SAVINGS, Los Angeles, is sending out the California Banking Laws, bound in flexible leather. All Californians are proud of their new laws and of their splendid administration by the present commissioner. The laws are fully indexed.

JOHAN PERRIN suggests that the “Big Council” ought to ask the monetary commission to meet with them, especially since the Nashville Club links are so fine.

THE 24th annual convention of the Kansas Bankers Association will be held at Kansas City, Kansas, May 24th and 25th, 1911. Readers will note this is the same date of the Missouri convention which will be held at Kansas City, Mo. Arrangements are being made for one joint session and a joint entertainment of the two associations on the night of the second day with which the entire convention will be concluded.

THIS joint meeting will be a big hit and second only in importance to the A. B. A. itself. When Illinois and Iowa held their joint session at Davenport-Rock Island, it was the event of the year. State secretaries can’t do a better thing. Ohio and Michigan, or Michigan and Wisconsin might go boating together any time. They all are amphibians in convention matters.

BOWMAN and Keyser are live ones and you can put your “May 24th Outing” down in red ink.

ACCORDING to present arrangements, a joint session will be held on the evening of the first day, when addresses will be delivered by speakers of national prominence. One afternoon and the evening of the last day will be given over to joint entertainment, which will be provided by the Kansas City Clearing House. The rest of the time will be reserved for individual meetings of the two associations—Missouri in Kansas City, Missouri, and Kansas in Kansas City, Kansas. This ideal arrangement coupled with the characteristic hospitality of Kansas City bankers insures an unexcelled convention, as to both profit and pleasure.

HERE is another wise move. The Missouri council of administration recommends that each member of the association provide some effective means of preserving circular letters received from the association. A suitable device for this purpose can be procured at a nominal cost, and Mr. Keyser hopes that each member will comply with this very important suggestion.

IN THE last few months there have been many reports of burglaries of banks in this state (Ohio) by yeggmen and also of operations by other criminals directed against banks. Burglary insurance is a safeguard against loss which no banker should neglect to have and it costs but little compared to the protection which it affords.—S. B. Rankin.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

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Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
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La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
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THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres. JOHN F. HAGEY, Asst. Cash.

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
C. T. JAFFRAY, Vice-President
A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President
D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

CORN EXCHANGE

CAPITAL : \$3,000,000.00
SURPLUS : \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President

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FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier

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LETTERS OF CREDIT ISSUED

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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

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WILLIAM G. EDENS, Assistant Secretary
JOHN L. LEHNHARD, Assistant Trust Officer

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T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT
CHARLES G. DAWES, ex-Comptroller of the Currency

Colonel Farnsworth Endorses Currency Plan

Frederick E. Farnsworth, secretary of the American Bankers Association, made the following statement to a representative of The Journal of Commerce in regard to the Reserve Association plan proposed by Senator Aldrich.

"The American Bankers Association is not committed specifically to a central bank or to the proposed plan for monetary legislation submitted to the National Monetary Commission by Hon. Nelson W. Aldrich, and termed 'reserve association of America.' The bankers of the country, however, realize the importance of advanced and new banking and currency legislation. They also realize fully that our present banking system is very nearly fifty years old; that it was a war measure, and that very little change has been made in the original law; and while an excellent measure when placed on the statute books in many respects it is now obsolete and entirely inadequate for the needs of the banking and commercial pursuits of the nation.

"Recurring panics, strenuous periods of depression, lack of currency in crop moving seasons, and no modern methods whereby currency could be secured when most desired, resulted in a very full discussion of the deficiencies of our banking and currency laws, at the annual convention of the American Bankers Association held in St. Louis, Mo., in October, 1906, and the authorization of the appointment of a Currency Commission of the Association to be comprised of fifteen members, five of whom were to be the then legislative committee, the other ten members to be selected with due reference to national and state banks and trust companies, said commission to confer with the Chamber of Commerce of New York City, and after a careful investigation and study of the plans submitted, to co-operate with the proper congressional committees with a view to the enactment of a law covering the subject. It did not appear to this commission at the time of its appointment that it would be wise to attempt an entire revision of the banking and currency laws; but that a period of education would have to intervene before the country would be ready for radical changes; hence in 1907 the commission prepared and had introduced into congress an asset currency bill. In 1908 this was repeated, and there was brought out at the same time the Aldrich bill, the Fowler bill and some one hundred other measures, all of which gave way to the Aldrich-Vreeland bill which became a law and which was intended as a temporary measure to provide for emergency currency.

"The agitation at this time brought about the appointment of the National Monetary Commission. This commission has made a very exhaustive research of the banking and currency systems of the world of the past one hundred years, and has brought out as a result of these labors several thousand pages of literature on the subject, which will be valuable for all time to come. In the meantime educational work has been going on and to-day the business and banking interests of the country are in a receptive mood, while ten years ago, at the annual convention of the American Bankers Association, when plans were proposed for a modern banking and currency law, the speaker,

a prominent member of congress, addressed an audience which was not in sympathy with his ideas and was hissed.

"Great changes have taken place during this decade. The Aldrich-Vreeland law was an advance. During the past year the question of a central bank has occupied a prominent place in the discussions by bankers' associations and business organizations throughout the land, and has brought about the conviction among very many leaders that a central bank, or some kindred plan would be the most desirable outcome of the ten years' discussion of the wants and needs of the United States. Where weakness has developed in the carrying out of some such plan as has been suggested, it has been owing to the fact that communities or individuals have not understood what was contemplated. In other instances where the central bank plan has been discussed by competent financiers who have understood the subject, it has brought with it conviction. In two Western states which perhaps are known to be as radical on legislation as any of the states of the union, at recent bankers' conventions held by these states, after listening to an able arguments of the central bank plan, unanimously passed resolutions endorsing a central bank.

"Any expression of opinion which I may make is a personal opinion and not official. I believe that the proposed plan of Senator Aldrich is a splendid foundation for what is now required—a modern, up-to-date reserve association which can provide for the needs of our great and growing country. I also believe that Senator Aldrich and the National Monetary Commission are influenced only for the greatest good for the largest number, and what they have brought out has been the result of careful study and based on experience of nations and the requirements of this nation. As stated by Senator Aldrich, the plan is a tentative one, and has been proposed at this time for the purpose of a thorough discussion and an analysis of the subject, inviting the criticism of the commercial and banking bodies of the country, students of economics and individuals who have made a study of this broad subject. It is fortunate that the present session of congress is a short one, and that the usual pressure of important legislation at this time will crowd out the consideration of banking and currency legislation. This, however, will give plenty of opportunity for an educational campaign and a thorough consideration of the proposed bill, so that when it is taken up by congress it will, without doubt, be in a perfect state, and the result should be the enactment of laws that will fill all requirements, and which can remain on the statute books for many years to come without radical amendments."

Texas Currency Association

Dallas, Texas, January 24.—The organization of the first currency association in the Southwest has been effected here. Fourteen national banks in Dallas and surrounding counties have joined the association, calling themselves the National Currency Association of Dallas.

Look for Decision

According to current expectation, in the best informed governmental circles, an early decision in the corporation tax cases will probably be rendered by the supreme court of the United States. This is earnestly desired on very many accounts, and there seems reason to suppose, although of course no official or authorized statement on the subject exists, that the court is well aware of the feeling of the administration and desirous to reach a decision as soon as it can consistently with good work and a proper treatment of the subject. It is the opinion of those who are familiar with what was done last spring at the time when a reargument was ordered, that the judges then on the bench had definitely made up their minds as to the merits of the case, and that all that is necessary is to give the new members an opportunity to do the same. This is a matter that ought not to take very long.

The situation is simplified by the fact that the recent reargument has not developed anything of very novel importance. Practically the same points were covered as in the former case, and those who attended the sessions did not feel that the attorneys had changed their line of argument in many important respects.

Shows Merit of Aldrich Plan

A. Piatt Andrews, assistant secretary of the treasury department, declares that the Aldrich currency plan goes a long way toward removing the deficiencies of our banking system. He points out that it provides for greater unity of policy and uninterrupted exchange among the banks in different parts of the country; it eliminates the present inflexibility of our banking reserves; it provides for a national discount market; it does away with the bond-secured currency and offers a flexible note issue based upon commercial assets in its stead; it removes the objectionable features of the independent treasury system, and it proposes to eliminate the irregularities which now exist between the Federal and the state banking system. At the same time it carefully aims to provide against control either by financial or political interests.

The plan embodies most of the features which are common to the banking system of other important countries and which we hitherto have lacked. Yet it does not attempt to reproduce in this country any institution existing elsewhere.

The Reserve Association is not like the Reichsbank, or the Bank of France, or the Bank of England, yet it embodies among its functions the valuable features common to all of these institutions.

Large Investment

"Instead of \$20,000 as recently stated, the New York Life Insurance Company has \$302,450 invested in Spokane real estate and other forms of security," said J. R. McKnelly, Inland Empire agency director of the company. "It was recently announced that the New York Life had invested its first \$20,000 in Spokane real estate when the mortgage on the Baldwin building on Sprague Avenue was purchased. That purchase is just a part of the capital represented in Spokane investments. The New York Life holds \$282,450 in Spokane school bonds, besides the \$20,000 mortgage."

KNAUTH, NACHOD & KÜHNE, Bankers

NEW YORK LEIPZIG, GERMANY

Travelers' Checks

in denominations of \$10, \$20, \$50 and \$100

Letters of Credit

in Pounds Sterling, Dollars, Marks and Francs

Furnished to Banks and Bankers for direct sale to Travelers

I N V E S T M E N T S E C U R I T I E S

Department of New Business

Jacksonville, Fla.—The Bankers Trust Company is the title of a new enterprise capitalized at \$100,000.

Youngstown, Ohio.—The United German Bank has been incorporated. Joseph B. Lehman, Jr., is promoter.

Oil City, La.—A new bank is to be established here by L. E. Thomas, of Shreveport, La., and others.

Shell Lake, Wis.—A new bank is to be organized here. Chas. A. Shaver will be cashier.

Hope, Kan.—A new bank is to be organized here by M. A. Anderson, of Durdick, Kan., and others.

Stoughton, Mass.—The Stoughton Trust Company has been organized with a capital of \$100,000.

Mecca, Ind.—The Mecca Bank has been organized with a capital of \$10,000. Wm. E. Dee is president and Salem P. Hancock, of Montezuma, cashier.

Ellisville, Ill.—A new national bank is being organized here. It is said the First National Bank, of Abington, Ill., is interested.

Shannon, Ill.—The Peoples Bank has been organized with a capital stock of \$25,000.

Lancaster, Pa.—The Guaranty Trust Company is the title of a new institution capitalized at \$300,000.

Statesboro, Ga.—The directors of the Sea Island Bank have declared a dividend of 8 per cent.

Temple, Ga.—The Temple Banking Company is to increase the capital stock from \$25,000 to \$50,000.

Boston, Mass.—The Exchange Trust Company will open a branch at Back Bay, 124 Boylston Street, about March 1st.

Minneapolis, Minn.—The Murphy-Landis Company is promoting a new banking corporation, in which Chicago business men are interested, to occupy quarters in the Lumber Exchange.

Newton, Ala.—The Farmers & Merchants Bank has been incorporated with a capital stock of \$60,000.

Gaston, Ore.—A new bank is to be organized at this place. B. F. Purdy will be president and L. Paget cashier.

Manning, S. C.—A new bank will be organized here in the near future. A. C. Bradham, L. H. Harvin and others are promoters.

Hillsboro, Ore.—The Shute Savings Bank has been chartered with a capital of \$30,000. A. G. Shute, H. V. Gates and others are promoters.

Stewart, Miss.—The Stewart State Bank is the title of a new chartered institution; capitalized at \$20,000.

Danvers, Ill.—The Danvers Farmers State Bank has been chartered with a capital of \$40,000. A. B. Miller, Robert Otto, William Shorthose and Frank Sampson are promoters.

Dayton, Ind.—A new bank is to be organized here. J. W. Warrick is interested.

Mineola, Mo.—A new bank will be started here with a capital stock of \$12,500. W. C. Crane is interested.

Sadler, Tex.—The First Guaranty State Bank is the title of a new institution with a capital of \$10,000. J. D. Rodges, H. C. McMahon, J. A. Hayes and others are promoters.

Chicago, Ill.—The Madison Street State Bank is being organized with a capital of \$200,000 by Thomas P. Hicks and others. The institution will be located on Madison Street, near Western Avenue.

Kansas, Ohio.—E. W. Allen will be president and I. W. Cookson cashier of the new bank organizing here.

Dakota, Ill.—The Dakota State Bank has been organized with a capital of \$25,000 by G. S. Smith, John F. Smith and others.

Huntington Beach, Cal.—The Commercial Bank of Huntington Beach has been organized.

Mason City, Neb.—The Farmers State Bank has been chartered with a capital of \$10,000.

Group Five, Texas

Group Five of Texas Bankers Association will hold its annual meeting in Dallas on February 11th. J. C. Adams, of the Dallas bar, will deliver the address of welcome, and G. L. Blackford, of Denison, will respond on behalf of the visiting bankers. G. E. Allen of New York, educational director of the American Institute of Banking, will speak. The feature of the afternoon session will be an address by Charles H. Huttig, president of Third National of St. Louis. An elaborate programme of entertainment has been arranged for the visiting bankers, including a banquet and theatrical performance. Howell E. Smith of McKinney is president of the association, and W. D. Saunders of DeKalb secretary. Ralph C. Wilson, assistant cashier of the Continental and Commercial National of New York, will be among the guests.

John T. Wood, G. Riser, John O. Jackson and others are promoters.

Coalgate, Okla.—The Coal County State Bank has been organized with a capital of \$25,000. Boone Williams of Lehigh, B. R. Cunningham of McAlester, J. F. Murphy of Coalgate and others are promoters.

Knobnoster, Mo.—R. M. and Frank Jenks of Bogard, Mo., will establish the Peoples Bank of Knobnoster, with a capital stock of \$20,000.

Roberta, Ga.—The Bank of Roberta has been granted a charter, capitalized at \$25,000. E. L. McGee and Jeff McGee, of Knoxville, Ga.; J. E. L. Johnson, C. L. Fincher and H. E. Saylor are promoters.

Atlanta, Ga.—The West Side Bank, capitalized at \$25,000, has been organized. J. S. Sewell, W. O. Fields, Julius Jones, Frank Potts and others are interested.

Lindale, Tex.—The Guaranty State Bank has been organized with the following officers: R. G. Marchman as president and Mark Wheeler cashier.

Romeo, Col.—The Romeo State Bank has been chartered with a capital of \$25,000. Homer Neal, E. S. Christenson and Chas. Felt are promoters.

Tomah, Wis.—The State Bank has filed articles of organization with a capital of \$25,000. J. P. Rice, C. B. Drowatzky, G. C. Prugel and others are promoters.

Creston, Iowa.—The Farmers & Merchants Bank has been organized. T. S. H. Dougherty, E. N. Dougherty, J. C. Sullivan, W. W. Bunus, W. M. Sparr, J. N. Dillon, B. K. Berry, are interested.

Leesville, La.—The West Louisiana Bank has been organized with a capital of \$50,000. S. T. Ward is president, A. L. Dreben and C. M. McFarland, vice-presidents, and M. V. Rudolph, cashier.

MAUSOLEUM



The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

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ILLINOIS BANKING NEWS

By C. C. Burford

The Pana National has purchased a choice location in the business section of that city and a new building will be erected this spring. L. A. Goddard, president of the State Bank of Chicago and head of the Chicago Clearing House Association, is the president and a director of the Pana National. A. B. Corman is the vice-president and C. W. Bainbridge is the cashier.

N. W. Harris Encourages Students

N. W. Harris, president of the Harris Trust and Savings Bank of Chicago, has offered to students of various state universities in the Central West \$500 in cash prizes for the best essays upon the subject, "The Prevalence of Crime in the United States." The essays must be written by June 1st. The institutions included in the offer are the universities of Illinois, Indiana, Michigan, Wisconsin, Minnesota, and Iowa. These prizes are offered annually.

Anna Banks Elect Officers

The directors of the First National of Anna have elected the following officers: R. Johnson, president; W. Grear, vice-president; Edward Sampson, cashier; and Allie Willoughby, assistant cashier. The Anna National has elected L. J. Hess, president; A. N. Session, vice-president; John B. Jackson, cashier; and C. L. Burton and Ethel Davis, assistant cashiers. Anna is one of the better towns in "Egypt."

Paxton Bank Has Ample Security

The agricultural operations of W. A. Rankin, of Tarkio, Missouri, have attracted wide attention. Mr. Rankin is one of the largest land owners and operators, not only in the state of Missouri, but in the United States. He also owns extensive land interests in Illinois and retains his legal residence at Onarga, Iroquois county, Illinois. Mr. Rankin is interested in Illinois banks as he is president of the Paxton Bank of Paxton, and of the bank of Rankin, Whitham and Company of the town of Rankin. This latter village in Vermilion county is named for Mr. Rankin and it was near this town that he began his business operations more than forty years ago.

The Paxton Bank was established January 1, 1894, by Messrs. W. A. Rankin and B. H. Durham. The following fall W. J. LaTeer, then of Hoopeston, where he was a partner of John L. Hamilton, became associated with the bank and has since served as cashier and the resident managing partner. Mr. Durham is a resident of Onarga where he is associated in the management of the Onarga Bank, the old Durham Bros. Bank, and has been a banker "of the old school" of success and conservatism for the past forty years. He is also a large Illinois land owner. E. D. Durham of Onarga and a partner of B. H. Durham is well known to bankers both of the national and state associations as he has been a frequent attendant at various bankers' meetings and in 1905 was president of the Illinois Bankers Association. W. J. LaTeer is now a member of the executive council of the Illinois association. Messrs. Rankin and Durham hold the positions of president and vice-president of the banks at Paxton and Rankin.

The Paxton Bank is one of the best private banks in the state as it has the entire financial responsibility of Messrs. Rankin, Durham and

LaTeer behind its operations. The bank has assets of \$400,000 employs a capital of more than \$75,000 and has a responsibility of one and a half millions. Mr. LaTeer says: "The bank has always been so conducted that investigation by any government official would not disturb the management of the bank in the least."

O. J. Engell has been assistant cashier for many years and N. V. LaTeer, a son of the cashier, has been with the institution for the past five years.

Illinois Notes

At a meeting of the directors of the Exchange National of Polo the following officers were elected: J. L. Moore, president; S. Beard, vice-president; W. T. Schell, cashier; and E. R. Antrim, assistant cashier.

The First National of Sullivan has installed a system of intercommunicating telephones in their office.

A miser who lived in the vicinity of Maeystown, near Chester, was found to have \$300 secreted in an old log in the cellar of his hut. He was Jacob Zeis, aged 74, and placed his money in the log and sealed up the holes over the gold coins. When the hermit had not been seen for several days a neighbor went to the hut and found the aged man dead in bed. A note on the table written by the miser explained the whereabouts of the money. As there were no immediate relatives the money was turned over to the officials of Monroe county.

Bank clearings in Danville for the week ending January 26th were \$405,586. There has been a steady increase in Danville clearings for several weeks. Possibly sensation is a good thing for a town.

The Lincoln National is about to get into its new quarters. The front of the building is said to be especially artistic and the structure will be one of the best business houses in Lincoln.

The Centennial National of Virginia, Ill., has received full settlement from the burglary com-

pany which had insured the vault of this bank. It will be remembered that a very bungling piece of bank robbery was attempted some weeks ago at Virginia and the only result of the episode was about \$100 worth of damage to the front of the vault. Patrick Kenney, the night watchman who was beaten and gagged by the robbers, is slowly recovering from his experiences.

Eli Peck, who has been cashier of the Citizens' Bank of Cerro Gordo, is the new cashier of the First National of Blue Mound. Both of these towns are in the vicinity of Decatur.

A permit to incorporate a new state bank in the city of Chicago has been issued to Thomas P. Hicks, Fred Swigart, H. C. Taylor, F. L. Johnson, and A. W. Fulton. The institution will have capital of \$200,000. Newspaper reports state that the name of the bank will be the Madison Street Bank.

New Counterfeit Bank Note

A new counterfeit \$10 bank note is described as follows: "On the Merchants National Bank of Providence, R. I. Check letter 'B'; series 1902; J. W. Lyons, Register of the Treasury; Ellis H. Roberts, Treasurer of the United States; charter number 1131; bank number 15995; treasury number VII3529; portrait of William McKinley.

"This counterfeit appears to have been printed from very crude wood cut plates and is so poor that a detailed description of it is deemed unnecessary. One hundred and eighteen of these counterfeits were found in the possession of two Italians arrested at Taylor, Pa."

Reserve Center Legislation

Representative Crow of Missouri has stepped into the realm of finance. He introduced a bill providing that "whenever three-fourths of the national banks situated in any city of the United States having a population of 200,000 shall make application of the comptroller of the currency in writing, asking that such city may be a central reserve city, like the City of New York, the comptroller may, with the approval of the secretary of the treasury, grant such request."

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STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,700,000

Deposits over - - - 22,500,000

OFFICERS

L. A. GODDARD, President	FRANK I. PACKARD, Asst. Cashier
JOHN R. LINDGREN, Vice-President	C. EDWARD CARLSON, Asst. Cashier
HENRY A. HAUGAN, Vice-President	SAMUEL E. KNECHT, Secretary
HENRY S. HENSCHEN, Cashier	WILLIAM C. MILLER, Asst. Secretary

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THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,430,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President	John Mason, Transfer Officer
Henry B. Bartow, Cashier	Oscar E. Weiss, Assistant Cashier

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Money, Banking and Finance from Chicago Viewpoint

Senator Aldrich has given to the country a topic for discussion which will last for some months and possibly for years. The subject of a national reserve association in place of a central bank came upon the public suddenly and unexpectedly. As a general thing bankers were slow to make up their minds as to the merits of the proposal. It is apparent, after a couple of weeks of debate, that Chicago financiers are favorably disposed toward the plan.

Questions asked in this connection are instructive. Will not the democrats in congress oppose the Aldrich measure and bring forward a plan of their own? Has not the country secured elastic money and the power to quickly increase its volume through the currency associations? Have we not already gained a method of preventing panics and giving the banks all the cash they need in any and all circumstances? These are some of the questions heard at the local banks and in political circles. They suggest their own answers.

There will be Opposition

While it is clear enough that financial men as a whole will support the Aldrich plan there will be strong political opposition. Naturally this opposition will be voiced from the democratic side. The whole idea of centralization will be fought. The measure is likely to win in time but it may be opposed for years. It is thought now that the presidential election of 1912 will be out of the way before the country gets a new money law. Tariff revision will be pushed ahead of financial legislation. With one element of congress opposing the Aldrich method because it looks to them like centralization and another fighting it because it is the proposal of a republican leader whose principal views are objectionable to them there is sure to be a long period of discussion before a conclusion is reached.

After the presidential election is out of the way both parties will be freer to take up the

intricate currency question. Tariff amendments will in all probability be put through next winter but there will be little chance for a money bill at that time.

Political Aspect of Plan

Any plan which contemplates the establishment of a new financial institution of such scope and powers as the reserve association must guard most carefully to avoid control by particular interests or subjection to political influences. The Aldrich plan presents ingenious and carefully contrived arrangements for preventing both of these contingencies. Monopoly of stock control is out of the question for the capital stock is not subject to sale or transfer and can only be held by banks in proportion to their capital. Domination of the directorate by the banks of any locality or any group of interests is also guarded against by the carefully devised provisions through which the directors of the reserve association and its branches are to be selected by a distribution of voting power among local associations of banks in different geographical areas. No political party can gain control or influence over the association for the same reasons. The governor is to be selected by the President from a list to be submitted by the board of directors, and, like the Chief Justice of the Supreme Court, will practically serve for life. The intrusion of politics is further prevented by a regulation that no member of any national or state legislature can serve as director either of the reserve association or of any of its branches or of any local association.

Scope of the Association

In the plan as developed this association is to be the depository and fiscal agent of the national government. It is to have the sole issue power. It may receive deposits from those national banks which are stockholders in it. It shall establish branch banks. It may buy and sell government and state securities, and for-

eign government securities, and gold coin or bullion. It may rediscount paper for banks depositing with it. It may buy acceptances of substantial houses—and no bank wants any other kind.

As no provision for retiring the greenbacks is suggested it is presumed that Senator Aldrich considers it unwise to attempt that movement at this time. With the present political attitude of the country congress is not likely to interfere with the government's issue of money. It is clear that the reserve association is intended to operate with the emergency currency associations. It would serve to strengthen and unify the national banks and could quickly give to the country all the currency needed in any stringency. No one need expect the full development of this or any other currency plan inside of four years and yet the Aldrich suggestion is in the right direction and will meet general approval.

Chicagoans in Land Deal

Considerable Chicago capital is to be put into a great land deal in the upper peninsula of Michigan. This enterprise is along a line suggested some weeks ago by THE CHICAGO BANKER. The transfer was that of W. G. Mather of Cleveland, Ohio, to H. H. Hamilton and associates of St. Paul, Minn., of 712,000 acres of land for \$2,500,000.

It is understood that H. G. Haugan of Chicago, formerly auditor of the Chicago, Milwaukee and St. Paul railroad, is interested in the deal. It is the intention of the new owners to cut the land up into suitable tracts to be sold to individuals.

There is land enough in this tract to give snug little farms to 10,000 persons. It is the intention of the new owners to make the sales in small parcels, preferably 40 acres each, but there will be no restriction on those who are able to buy 160 acres.

The land has cost about \$4 an acre and will

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sell readily in little farms at \$10 to \$25, according to location. This is a feasible and legitimate method of making money. With suitable dwellings erected there would be a rush for these farms at prices that would be fully satisfactory.

Postal Banks a Success

Postal savings banks are a success in this country as far as they have gone. That fact seems established by reports reaching the post-office department from the postmasters at whose offices banks have been established. It would seem that the popular criticism of the law is the limitation imposed as to the amount of money which may be accepted from patrons.

Many persons want to deposit more than \$100 a month. A considerable quantity of money has been brought out of hiding and, as was expected, foreigners are bringing their savings to the banks.

That the banks have come to stay is the opinion of the postal officials. From all over the country the reports are glowing. Many children with their small savings are attempting to accumulate a nest egg by purchasing the cards and adhesive stamps.

Tone of Business Improves

Merchants and manufacturers agree that the tone of business has greatly improved in the last couple of weeks. Bankers are in a position to bear out this claim. The general trade of the country is excellent. Money circulates freely. Buying is extensive in all branches.

It is thought to be noteworthy that business is better all over the country than was anticipated earlier in the winter. A spirit of caution spread abroad in the fall and many persons were bound to have a spell of hard times in spite of anything. There has been a gradual lifting of the pall. There is actual surprise everywhere at the steadily increasing volume of business and the improved financial condition. Even the rail mills are getting busy. Labor is quite largely employed both in city and country.

George S. Parker

George S. Parker, president of the Live Stock National, Sioux City, Ia., has been unanimously elected president of the Sioux City Commercial (boosters) Club. He also is president of the clearing house. These three jobs are quite likely to cut down Mr. Parker's hours at golf this season.

C. F. Childs & Co. Open for Business

The firm of C. F. Childs & Company, with a fully subscribed capital of \$500,000, which opened for business February 1st in temporary quarters at 159 LaSalle Street, will not only transact a general bond business but will also serve this community and the banking fraternity by arranging to syndicate among prominent underwriters and dealers in Chicago many attractive issues which are now financed elsewhere. Such services should prove to be valuable to any corporation desiring to finance its requirements locally and place in responsible hands an issue of bonds for distribution. Also such services will be acceptable to the underwriters and dealers in securities in that they can participate in the underwriting of a portion of an issue which so frequently is dependent upon the willingness of one or two of the larger institutions or eastern banking houses to underwrite. The company will co-operate with all the bond houses and bond departments of the Chicago banks and will endeavor to secure for this market many issues which are now first financed and placed elsewhere and then ultimately offered for sale publicly in this market. The company will serve the mortgagor in the underwriting and marketing of his bond issue by putting the proposition in bondable, bankable form for presentation to dealers and underwriters. Although several banking houses in New York serve the distributing dealers and bond departments in this way, no similar company exists in Chicago.

In addition to this department of its business the firm will have a special department for the

handling of government bond transactions. Through arrangements and connections which have been made in Washington and New York, the firm will be able to give the banks of the middle west special services for depositing and withdrawing government bonds at the treasury department as security for national bank note circulation and government deposits. Acting as dealers, and not brokers, no commission charge for such services will be made but all prices quoted will be net to the customer.

It is understood that among those interested in the company as stockholders are many of the most prominent capitalists, bankers and business men of Chicago and it is generally felt that Chicago has long appreciated the need of the very services which this company will undertake to offer.

We understand the initial subscriptions for the stock were considerably more than the total capital stock available and accordingly an early increase in the company's capitalization is expected.

The president and manager of the company, C. Frederick Childs, was for many years manager of the western office of Fisk & Robinson and during the past year organized and managed the bond department of the Commercial Trust & Savings Bank which by consolidation became the Continental and Commercial Trust and Savings Bank. He is a graduate of Yale University and a member of Chicago's most prominent clubs, including the Chicago club, University, Yale, and Onwentsia at Lake Forest, of which city he is also mayor. He is well known in banking circles as a specialist in government bonds and is generally well known by the bankers throughout the country. Mr. Childs will have in his organization a thoroughly experienced corps of assistants, including many members of his former office force.

Charles E. Arnold, for many years vice-president of the Wisconsin National of Milwaukee, recently resigned, has been elected treasurer of the N. R. Allen's Sons Tannery Company of Kenosha.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. C. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 100,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER

By Mortimer I. Stevens

WISCONSIN

Considerable falling off in the demand for money has been evidenced of late at the various Milwaukee banks and this also holds true in the country towns where the smaller banker is commencing to cast about for investment of his surplus funds. Clearing house returns show a good volume of business transacted for the past week and collections are reported as generally satisfactory.

As evidence of the condition of the manufacturing interests is the statement coming from the Allis-Chalmers Company to the effect that their bookings thus far in 1911 are greatly in excess of the same period one year ago. Inquiries are said to be of a highly satisfactory character but consumers appear to be awaiting some important development affecting the general business situation before definitely closing contracts for improvement work.

New Home for First National

The First National Bank of Milwaukee has purchased the property of the Brodhead estate and the Iversen block at the southwest corner of East Water and Mason streets, with a 120 foot frontage on East Water Street, and will erect a bank building on this site. The consideration for the transfer is \$275,000. This was the testimony given in court during the past week by the trustee of the estate of Edward H. Brodhead, deceased.

The matter came out on an application of the trustee to sell what is known as the Brodhead block. The trustee stated that the First National Bank was to purchase the property and

that consideration would be \$200,000. He stated, furthermore, that the same interests had purchased, or arranged to purchase, from the Daniel Wells estate, the Iversen block, the consideration in this instance being \$75,000. The two properties will give the bank a frontage of 120 feet and will extend to the river on the west side.

The new building will also be the home of the First Savings and Trust Company, the new institution that succeeds the Milwaukee and Fidelity Trust companies, both of which have been merged with the First National Bank.

Bankers to Prevent Fraud

The Wisconsin Bankers Association is in correspondence with state police departments for a campaign to obtain the passage of a law such as is in force in Iowa, providing fines and imprisonments from five to fifteen years for men found with burglary equipments.

"Six yeggmen, carrying burglars' tools were arrested at Hudson, Wis., six weeks ago," says Secretary Bartlett of the association, "and the only charge that could be preferred against them was that they resisted arrest, when it was quite apparent that they had come from St. Paul to commit burglary in this state."

It is likely that the safety paper which has been submitted to the association for inspection by its members will be adopted for use for checks and other documents, to prevent fraudulent changes. The papers come in various light shades. A series of waving, parallel lines run through it and any erasure or use of

acid at once takes off a surface covering revealing a lighter color below and making detection of changes easy. The paper is patented and will be issued to no other banks in Wisconsin than those in the association. It will contain the triangular emblem of the Wisconsin Bankers Association as a watermark.

Joins Wisconsin Trust Company

Clement C. Smith, president of the Columbia Construction Company and vice-president of the Fidelity Trust Company when it was absorbed by the First National Bank, was elected a director of the Wisconsin Trust Company at a special meeting of the stockholders held recently. This company has filed with the registrar of deeds an amendment to its articles of incorporation increasing its number of directors from eleven to twelve. This was made necessary by the addition of Mr. Smith.

Mr. Smith is one of the best known electric railway builders in the West. He also has become known as an operator of electric railway and lighting corporations. He is president of the Eastern Wisconsin Railway & Light Company; president of the Wisconsin Electric Railway Company; vice-president of the Sterling, Dixon and Eastern Electric Railway Company of Dixon, Ill., and vice-president of the Lee County Lighting Company of Illinois which controls the water power, gas and electric light plants of Dixon.

The list of directors of the Wisconsin Trust Company now includes the following: Oliver C. Fuller, president; L. J. Petit, chairman;



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wis.

ESTABLISHED 1847

Capital \$500,000 Surplus and Profits \$500,000

**Oldest Bank in the Northwest
Conservative Progressive**

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	
JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
H. J. PAINE, Asst. Cashier	F. A. KIRCHHOFF, Asst. Cashier
F. X. BODDEN, Mgr. Bond Department	G. A. RUESS, Mgr. South Side Branch
S. H. MARSHALL	J. H. TWEEDY, Jr.
R. N. McMYNN	GUSTAV REUSS C. C. YAWKEY

Clement C. Smith, Frederick Kasten, R. W. Houghton, Gustave Pabst, Patrick Cudahy, Chas. Schriber, Isaac D. Adler, Herman W. Falk, H. M. Thompson, Gardner P. Stickner, vice-president; Fred C. Best, secretary; R. L. Smith, assistant secretary.

Requests for Directory Pour In

Willis V. Cheney, assistant cashier of the Wisconsin National Bank, reports an influx of requests for the Wisconsin National Bank state bank directory which will run that edition into many hundreds more than issued last year. This directory is put up in convenient vest pocket form and was given away as a souvenir at the Wisconsin Bankers Association state convention one year ago. The same policy will be adopted by the bank at the state convention this year and that the directory will be up to date is evidenced by the large amount of preliminary work being devoted to it by Mr. Cheney, who originated the scheme.

M. C. Bergh in New Position

Marcus C. Bergh, for many years commissioner of banking of the state of Wisconsin, has been elected vice-president of the Stondall-Toftoy Company and will be at the head of the company's Madison office.

The Stondall-Toftoy Company has its home office in Madison and is capitalized at \$1,000,000. The company was organized by Albert M. Stondall of Madison, president of the Merchants and Savings Bank; Holger Toftoy and Andrew Eiken of St. Paul. The company will deal extensively in western lands.

Bankers Meet in Milwaukee in July

The seventeenth annual convention of the Wisconsin Bankers Association will be held in Milwaukee, July 19th and 20th. The committee on arrangements is already engaged in preparing a program which promises to eclipse anything ever undertaken before. Extensive plans will also be made for the entertainment side and those who have before tasted of the hospitality of Milwaukee bankers know that there is a treat in store for them.

Former Selection is Ratified

H. P. Andrae, L. M. Alexander, J. F. Conant, Fred Doepke, Nathaniel Green, E. C. Knoernschild, W. F. Myers, W. S. Paddock, Judson G. Rosebush, H. W. Schwab and F. J. Wood were on January 28th elected directors by the stockholders of the Merchants and Manufacturers Bank in Milwaukee.

Mr. Knoernschild and Mr. Myers are the new directors. Mr. Myers takes the place of

Mr. Graettinger, formerly cashier, on the board, and Mr. Knoernschild was elected to take the vacancy.

Following a meeting of the stockholders the directors elected the following officers: President, L. M. Alexander; first vice-president and manager, W. F. Myers; second vice-president, W. S. Paddock; cashier, Edwin C. Knoernschild.

Mr. Myers comes to Milwaukee from St. Paul, where he was vice-president of the Capital National Bank.

Association Secretaries Meet

Group secretaries of the Wisconsin Bankers Association met at association headquarters in Milwaukee January 23d to arrange programs for the various group meetings to be held from now until the state convention in July. Those who attended the meeting were Frank Pierce, Group No. 1, Durand; Milo Hagan, Group No. 2, Madison; Ed. Williams, Group No. 3, Oshkosh; H. D. L. Adkins, Group No. 5, Elkhorn; L. H. Larson, Group No. 6, Wautoma; C. J. Wiles, Group No. 7, Bangor.

Bank Guaranty Bill may Pass

Guaranty of bank deposits, the plan which is opposed by the majority of bankers in this state, will again be advocated in the Wisconsin legislature at the present session, and, according to a Madison paper, "there is little doubt of the passage at the present session." One of the reasons assigned for the foregoing forecast is the recent Supreme Court decision of the United States.

However, according to the opinions of some of the better informed bankers of Milwaukee the Madison scribe will fall short of his prophecy for the bill will meet with bitter opposition and those interested are prepared to submit to the legislature a mass of evidence and apparently irrefutable argument against the wisdom of such a course at the present time.

National Bank Official at Madison

Lawrence O. Murray, national comptroller of the currency, was a visitor at Madison January 20th, and passed the day inspecting the work of his subordinates and conferring with local financiers. The occasion was the regular semiannual examination of the Commercial National Bank which was being examined by Examiner Silas H. Cooper, and his desire to inspect the work of the examiner. When asked what he considered the duty of a bank director Mr. Murray tersely said, "To attend to the business of the bank."

Notes About the State

For the second time since the institution was founded the Manitowoc Savings Bank has increased its capital until now it amounts to \$200,000, just double the old figure.

Newburg will have a state bank and it is reported that the entire capital has already been subscribed by the stockholders.

W. A. Whitney and his associates are expected to take over the controlling interest in the United States National Bank of Superior.

The Eau Claire National Bank has purchased the property immediately adjoining the present location and in the near future will extend their present quarters to take in the new location.

J. M. Wolf, cashier of the State Bank of Allenton was a visitor at association headquarters in Milwaukee recently.

J. K. Ilsley, president of the Marshall & Ilsley Bank of Milwaukee, left Friday for a visit to various points in California.

N. F. Hawley, secretary and treasurer of the Farmers' & Mechanics' Savings Bank, went outside his financial experience when last week he addressed the Sixth Ward Equality Club on "The City Charter." He is considered a city charter expert.

New Bank for Canada

Ottawa, Ont., January 30.—A big new Canadian bank is to be organized with French capital. Notice of application for an act of Parliament to incorporate it will be given in the "Canada Gazette" to-morrow. The name of the new bank is to be La Banque du Canada, and its proposed capital is \$10,000,000, much of which, it is said here, has already been subscribed by French capitalists. Rudolph Forget, the well-known French-Canadian banker of Montreal, who returned from Paris a few days ago, is the moving spirit in the new bank, which will have branches in all the principal Canadian cities.

Texas Bank Consolidation

Sherman, Texas, January 28.—The Commercial National Bank and the Continental State Bank of Sherman to-day announced a consolidation under the name of the Commercial State Bank, with a capital of \$20,000 and \$40,000, surplus.

W. R. Brent is president, the officers being chosen from both the old banks.

We solicit accounts of banks and bankers and offer them our complete facilities for the handling of their out-of-town items



Capital
\$2,000,000
—
Surplus
\$2,000,000
—
Deposits
\$33,000,000

C. H. HUTTIG, President

W. B. WELLS, Vice-Pres.

J. R. COOKE, Asst. Cash.

R. S. HAWES, Asst. Cash.

G. W. GALBREATH, Cash.

D'A. P. COOKE, Asst. Cash.

H. HALL, Asst. Cash.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

Money Supply and Panics

Washington, February 3, 1911.—Money panics in the United States are most likely to occur during the stringent money markets of the "spring revival" or the crop-moving season in the fall. This is one of the conclusions drawn from an investigation by Edwin Walter Kemmerer, professor of economics and finance at Cornell University.

Prof. Kemmerer does not mean to declare that the seasonal stringencies are the causes of the panics, but that the months in which they occur are the weakest links in the seasonal chain, and that in periods of extraordinary tension the chain breaks at those links.

Statistics of great value to the student of monetary problems are made available in a volume written by Prof. Kemmerer, just published by the National Monetary Commission, entitled "Seasonal Variations in the Relative Demand for Money and Capital in the United States." It is a statistical study, in which Prof. Kemmerer has gone beyond the range of any previous investigation made in that important field, and on the basis of statistical evidence establishes many facts hitherto obscure.

The object of the work, as stated by Professor Kemmerer, "is to throw light upon the regularity and the extent of these seasonal variations, upon the degree to which our currency and credit system responds to them, and finally to show some of their probable results upon more general economic conditions as exemplified in such phenomena as security prices, commercial failures, and panics." The study is based upon the nineteen-year period, 1890-1908 so far as data for this period is available. The material for the large number of tables found in the volume was, in part, secured by the commission directly from clearing house associations, from individual bankers, and from public officials. It was also, in part, compiled from government reports and financial journals.

In his study the author has looked for the expression of seasonal variations in the demand for money and capital in such market data as

interest rates, bank loans, deposits, and reserves, domestic exchange rates and interior currency shipments, foreign exchange rates and

Successful Western Banker

M. Glemmestad, cashier of the First National Bank of Tyler, Minnesota, was elected cashier of that bank at its organization in 1902. Having conducted the bank along conservative lines, he has built up the business of this insti-



M. GLEMMESTAD
Cashier First National, Tyler, Minnesota

tution so that in a little over eight years it now stands at the head of the eleven banking institutions in Lincoln county. The community in which this bank is located is among the richest and most fertile in Southwestern Minnesota, and the deposits of the First National Bank are steadily increasing.

the movement of gold, amounts of money in circulation, and clearings. His method of using this data has been to tabulate the figures themselves and also to construct an index number for each figure. Then for the period as a whole he has made, first, a simple average of the figures themselves, and second, a simple average of the index numbers.

Professor Kemmerer considers in turn the changes in the demand for moneyed capital in New York, Chicago, St. Louis, New Orleans, and San Francisco. As the best available criteria of this demand he has selected interest rates and the ratios of bank reserves to deposits from 1890 to 1908. A study of the data for New York City leads the author to the conclusion that there are five periods in New York's money market.

First, throughout January there is a rapid decline in the relative demand for money, making the last part of January and the fore part of February a time of very cheap money. This "easing up," Professor Kemmerer states, is due to the fact that the crop-moving demand for money in the West and South has spent its force. The cash is flowing back to New York City. Among other causes he mentions the natural reaction after the heavy strain on the money market incident to January 1st settlements.

The author puts the beginning of the second period at about the middle of February, the relative demand for money advancing rapidly to a high level and maintaining it through the fore part of April. The cause of this upward movement he finds in the encouragement to investment given by the low interest rates and the high reserves of the former period. "A second reason is to be found in the increase in certain lines of trade activity which normally takes place at about this time of the year. The Great Lakes, the Mississippi River, and other inland waterways are opened to traffic during this period. Railroad traffic is released from the incubus of cold weather and snow."

The third important seasonal movement, ac-

THE LIBERTY NATIONAL BANK OF NEW YORK

FREDERICK B. SCHENCK
President

DANIEL G. REID
Vice-President

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Vice-President

CHARLES W. RIECKS
Vice-President
and Cashier

FRED'K P. McGLYNN
Assistant Cashier

HENRY S. BARTOW
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CAPITAL, SURPLUS AND UNDIVIDED PROFITS
\$3,700,000.00

Fort Dearborn National Bank Chicago, Illinois



Capital - - \$1,500,000

Surplus and Profits 400,000

Deposits - - 17,000,000

WM. A. TILDEN, President

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We particularly desire the accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and we wish to serve you

According to Professor Kemmerer, is a rapid decline from about the middle of April, ending with a very weak money market in June and July. These are the hot months of the summer, comprising the vacation period and the period before the great crop movements of the fall.

The fourth period the author dates from the first week in August, "when call rates begin their upward movement and when bank reserves, both in amount and in percentage to deposits, begin their decline. The money market continues to tighten until about the 1st of October. The principal cause of the increasing demand for moneyed capital during this period is the call made upon the New York City banks by banks in the West and South for cash needed for crop-moving purposes.

"The last seasonal period in the New York market dates from about the first week in October to the opening of the new year. During this period the relative demand for moneyed capital exhibits many minor fluctuations, but remains at substantially the high level reached the fore part of October."

The author turns from his study of seasonal variations in the demand for moneyed capital in certain representative cities to a consideration of the demand for money in one section as compared with the demand in another. In making this investigation he has made use of the rates of domestic exchange between the principal cities and of the movements of cash between the various sections of the country. The figures for currency receipts and shipments are based upon replies received to a circular letter of inquiry sent out through the office of the comptroller of the currency to the managers of the clearing houses. These figures are for the years 1905 to 1908, inclusive.

As between Chicago and the Eastern States, Professor Kemmerer finds that throughout January money in Chicago relative to that in New York City is cheap. Exchange rates on New York are high and there is a considerable movement of cash from Chicago to the Eastern States—particularly to New York City, where it can at least earn the 2 per cent paid by banks on bankers' balances. From the last of January to the fore part of March the demand for money in Chicago relative to that in New York rapidly rises, due to the anticipated and actual opening of navigation on the Great Lakes and to the spring needs of the western farmers.

Then comes a decline in Chicago's demand from early in March until late in May, the

demand being comparatively small from then until the fore part of July. About the 1st of July the relative demand for money in Chicago begins to rise, advancing rapidly until early in

Builds Up Oregon Bank

J. W. Roberts is a young aggressive cashier who is up to date and is a great believer in publicity. He organized the First National Bank of Bandon, Oregon, and in the face of heavy opposition managed to secure over \$50,000 deposits at the end of five months. He went to Bandon a total stranger but with good recommendations, having had nine years' experience in all branches of both state and national banks. His



J. W. ROBERTS
Cashier First National, Bandon, Oregon

deposits at present are \$52,320 and are still increasing and he has one of the finest banks in Southwestern Oregon with good fireproof vault, burglar-proof safe and safety deposit boxes, and the banking room is finished in a style superior to many banks in larger cities. Mr. Roberts exposed the illegal methods used in one banking institution with which he was connected, causing several thousand dollars to be refunded.

September, and then maintaining a high level until the fore part of November. The average of the reported receipts of cash by Chicago banks from eastern banks rose from \$2,500,000 in June to \$2,704,000 in July, \$17,910,000 in August, \$11,789,000 in September, and \$21,843,000 in October. During the last six or eight weeks of the year the crop-moving demand having to a large extent subsided, the relative demand for money is stronger in New York City than in Chicago. Exchange rates in Chicago on New York rise, and cash moves eastward.

After having determined the degree and extent of the relative demand for money and moneyed capital, the author next considers seasonal variations in the absolute supply of money, with the object of discovering to what extent, if any, the supply of money in circulation varies during the seasons in response to seasonal changes in the demand. The various kinds of money in circulation he groups under two headings, "Presumably elastic money"—gold (including gold certificates) and bank notes, and "Presumably inelastic money"—United States notes, Treasury notes of 1890, and silver, nickel, and copper coin, money whose amount in circulation is determined directly by the government.

The figures show larger deposits of gold bullion at the mints during the crop-moving season. This is simply a fortunate coincidence, however, dependent, the author believes, on the conditions surrounding the production of gold. The national bank-note circulation does not, in Professor Kemmerer's opinion, exhibit any appreciable seasonal elasticity. The increase in circulation which takes place normally from year to year, does, however, take place in the fall and early winter. Banks intending to increase their circulation apparently postpone doing so until the crop-moving season approaches. Professor Kemmerer, however, finds no evidence of contraction when the crop-moving demands are over.

Deposit currency, or check circulation, as shown by the bank clearings, does, however, in the opinion of the author, exhibit a high degree of elasticity, expanding and contracting in accordance with variations in trade demands. Professor Kemmerer states that it is the one truly elastic element among our media of exchange.

In an endeavor to ascertain the effect of seasonal variations in the demand for moneyed capital upon prices the author has made a very elaborate study of the prices of railroad bonds,

Editorial Comment

Let the Nation Rejoice

It is a settled conviction in the minds of public men at Washington that there will be no extra session of congress this year. President Taft of course will be guided in the matter of issuing a call by public necessity as voiced by leading statesmen. The belief now is practically unanimous that it would not be feasible to summon congress for a summer session after the March adjournment.

It is because the new congress will not be in a position to accomplish anything of importance with reference to finance and the tariff that an extra session is inadvisable. The Democrats seem disposed to take a safe and sane course on these subjects, and therefore will not be apt to rush through tax and financial bills. Were they to become radical in trying to reverse laws for which the Republicans are responsible they would be held in check by the senate.

No hasty legislation is wanted on any subject. It is better for the country to have a rest from political agitation than to have ill-considered revisions of existing statutes. This is the general feeling in both parties at Washington and Democrats are on this account strongly opposed to an extra session. It is greatly to their credit that they are inclined toward conservative action, especially in view of the conceded fact that last fall's election indicated a public demand for a change in the order of things at Washington. The business interests of the country have good reason to rejoice. There is a popular demand for certain reform legislation, but with it is a distinct desire for caution and mature study. Agitation and demagoguery in connection with financial and trade subjects would be exceedingly unpopular all over the country at this time.

Supervised versus Private Banking

To the legislature in session at Springfield the following official data may be useful when new banking legislation for the state of Illinois is being considered. It will have little to do with the question of bank guaranty, but is conclusive and emphatic as to the safety of banking under state or national inspection and supervision when compared with private and unrestricted banking. The state of Illinois is far behind other states in this respect and time is ripe for a new, better universal state banking law covering all forms of banking, not national.

From the last annual report of the United States comptroller for the year 1909, the following information with reference to national bank failures in the state of Illinois has been collected:

1869, First National of Rockford failed but paid 41.90%, depositors losing \$34,000; 1875, Scandinavian National Bank, Chicago, failed but paid 57.46%, depositors losing \$107,000; 1875, Cook County National Bank, Chicago,

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

failed, but paid 14.94%, depositors losing \$1,292,000; 1876, Fourth National Bank, Chicago, failed, but paid 51%, depositors losing \$15,000; 1876, City National Bank, Chicago, failed but paid 77.51%, depositors losing \$165,000; 1877, First National Bank, Winchester, failed but paid 63.60%, depositors losing \$45,000; 1877, Third National Bank, Chicago, failed but paid 100%, depositors losing nothing; 1877, Central National Bank, Chicago, failed but paid 65.57%, depositors losing \$95,000; 1878, German National Bank, Chicago, failed but paid 100%, depositors losing nothing; 1884, First National Bank, Monmouth, failed but paid 100%, depositors losing nothing; 1884, Farmers National Bank, Bushnell, failed but paid 100%, depositors losing nothing; 1890, Park National Bank, Chicago, failed but paid 100%, depositors losing nothing; 1893, Columbia National Bank, Chicago, failed but paid 81%, depositors losing \$10,000; 1893, Chemical National Bank, Chicago, failed but paid 100%, depositors losing nothing; 1896, Second National Bank, Rockford, failed, but paid 98.40%, depositors losing \$3,000; 1896, National Bank of Illinois, Chicago, failed but paid 100%, depositors losing nothing; 1905, Peoria National Bank, Peoria, failed but paid 100%, depositors losing nothing; 1909, Coal Belt National Bank, Benton, failed but paid 100%, depositors losing nothing.

Deductions from these figures are as follows: From the inception of the national banking business in the United States to January 1, 1911, only 19 national banks in the state of Illinois have gone into the hands of receivers. Nine of these banks paid out in full, the amount they paid being \$16,051,924. The ten banks that did not pay out in full were able to pay \$1,630,837, leaving depositors unpaid to the amount of \$1,774,000. Of this loss to depositors \$1,292,000 came from the Cook County National Bank, Chicago, 1875, so that aside from that bank, depositors in national banks in the state of Illinois from the inception of national banking in 1865 have only lost \$482,000. In the last 31 years, that is, from 1878, 10 banks have failed, 8 of which paid out in full, 2 only being short a total of \$13,000.00. As the deposits of national banks in the state of Illinois amount to about \$600,000,000, this shortage is infinitesimal; in fact, the entire loss in this state of all national banks of \$1,774,000 is only equivalent to .0025 per cent of the total bank deposits. In the last 14 years, or since 1896, only two banks have failed, and both of these paid out in full, so that there have been

no losses to national bank depositors in Illinois in 14 years.

The state auditor of Illinois reports that so far as the data in his office shows, there have been only four state bank failures in Illinois with loss to depositors.

February, 1897, The Globe Bank, Chicago, lost \$207,800.00; October, 1903, Exchange Bank, Lockport, lost \$50,000.00; October, 1900, Lemont State Bank, Lemont, lost \$3,600.00, August, 1906, Milwaukee State Bank, Chicago, lost \$845,000.00.

The state banks, therefore, in the state of Illinois in their 13 or 14 years show a total loss of \$1,166,400.00, while during the same period no depositor has lost anything through the failure of a national bank.

From Bradstreet's Journal of January 14, 1911, the following data with reference to the suspension of national, state and private banks throughout the United States for the last 18 years from 1893 to January 1, 1911, is compiled:

The indicated total assets of suspended national banks were \$229,681,728, and their estimated liabilities were \$232,806,132, or a net loss of \$2,875,000, equal to 1.23 per cent of their liabilities.

The indicated total assets of suspended state banks were \$135,518,078, and their estimated liabilities \$149,018,944, or a net loss of \$13,500,000, equal to 9 per cent of liabilities.

The indicated total assets of suspended private banks were \$86,936,084, and their estimated liabilities \$143,016,802, or a net loss of \$56,000,000, equal to 40 per cent of their total liabilities.

In these percentages it must be borne in mind that the national bank liabilities were \$83,000,000 more than those of the state banks and \$89,000,000 more than those of the private banks. If the private bank liabilities had been as large as those of the national banks, the losses of the privates would have amounted to \$92,000,000, while the national losses were only \$2,875,000; in other words, the private losses were 32 times those of the national banks. These figures show very clearly the advantage of legally organized and supervised banking methods; for the organized banks that suspended had 2¾ times more liabilities than the suspended private banks, yet the losses of the private banks were 3½ times greater than those of all the organized banks; but if figured on the basis of the same liabilities in each case, the losses of unorganized banks were ten times greater than those of the organized banks.

The above statistics are believed to be absolutely reliable, and they furnish unanswerable arguments favoring a new banking code for Illinois.

The Secret

The real reason that the latest bi-plane flying machine can float upon the water is accounted for by its holding a New Jersey charter. Merely force of habit!

Service

When we speak of the "*Service*" rendered to customers we mean *The Best Service*, all that you reasonably expect from your bank. Our service includes a friendly personal interest in your business. *We* make it a part of our business to *give* such *time* and *attention* to our *customers* as their interests require.

CREDIT DEPARTMENT SERVICE

This department is organized for the purpose of collecting and tabulating reliable information regarding the standing and credit of banks, firms, corporations and individuals. Confidential inquiries from our customers and correspondents are carefully answered.

THE NORTHWESTERN NATIONAL BANK

MINNEAPOLIS, MINN.

The Bank of Security and Service.

THE MINNESOTA LOAN AND TRUST COMPANY,
Capital and Surplus \$1,100,000.00, is affiliated with this bank.

Combined Capital and Surplus, - - - \$6,300,000.00

Convention Dates 1911

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

NEBRASKA—Kansas City, May 24 and 25; Secretary, W. B. Hughes, Omaha.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett.

Sunday in Nashville

President F. O. Watts of the American Bankers Association, who has asked the members of the executive council to meet in Nashville, suggests that the Chicago special train should arrive in Nashville on Sunday morning.

"I think it would be a very nice thing for you to get up a special train from Chicago, arriving in Nashville on Sunday morning, April 30th," writes President Watts. "I am sure that all those coming over on the train would find that the day could be spent very pleasantly here, and this would be especially true of those enjoying golf. I hope that you will be successful in making the arrangement."

Already enough reservations to fill three compartments have been made through THE CHICAGO BANKER. If, as Col. Farnsworth thinks likely, all committees and the councils of all the sections are called, there ought to be as many more to go.

Savings Banks in Schools

A school savings bank will be inaugurated in the near future in the Oak Park common schools as the result of a suggestion of the Parents and Teachers' Association of that suburb of which Walter S. Holden is president. The plan was suggested by Prof. J. E. Adam and was received favorably by Supt. W. H. Hatch, who has recommended the innovation to the Oak Park board of education. Arrangements now are being made to open the bank to pupils.

Secret Service Burns

McClure's magazine starts a series of real detective tales, with the experiences of "Secret Service Burns," and continues Mr. Hendrick's strong articles on the Mormons. Bankers will want to know more about the "Secret Service Burns," the greatest yet among American sleuths.

A. A. Crane

Vice-President A. A. Crane, First National Minn., was in Chicago this week, after a fortnight spent in New York and the East. He doesn't see much chance, or hope that the Aldrich plan will become a law soon. Mr. Crane thinks the present banking system better than pictured by the Aldrich enthusiasts, and that a few amendments providing for better use of bank credits, and for some use of reserves would put us in a very strong position.

Italian-American Bank

The Italian-American Bank has been incorporated in Chicago with a capital of \$250,000. Herman M. Hartman, S. Ranno and others are promoters.

John R. Mitchell

President John R. Mitchell of Capital National, St. Paul, arrived in Chicago Monday on his way home from New York. He stated that he found a spirit of confidence among eastern business men which was not in evidence two months ago.

"The nation has had time to take inventory at the beginning of the year," said he, "and it finds the situation entirely satisfactory. A fear of dull times which prevailed a few weeks ago has been dissipated. Trade in all departments is picking up. The spring is likely to see the usual activity and prosperity."

Express Lobby Conducts Fight

An express company lobby it is charged, is responsible for the threatened defeat of the limited parcels post, which Representative Mondell of Wyoming has introduced. Mr. Mondell charges that the lobby is secretly directing its powerful influence through local merchants to defeat his bill, which is along the line recommended by the President, but also includes star routes with rural free delivery routes.

"Since I introduced the bill I have been flooded with protests, letters and typewritten petitions," said Mr. Mondell. "The jobbing houses seem behind them, but I am inclined to think the express companies are back of the jobbing houses."

It is declared the express companies fear that if the limited service is established it will lead to extension in the near future.

Sacramento's New Bank Block

Guarantee Title and Trust Company of Sacramento, an offshoot of Farmers and Mechanics Bank, will build a \$125,000 structure.

Tricks of "Kitters"

As a hold-up weapon the innocent-looking check book has the mask and revolver "beaten to a frazzle." In the hands of a shrewd crook the check book becomes the terror of the bank teller and the handmaiden of graft. For it is the "gentleman crook" who carries the check book, while the desperado has been the type of man who use the ordinary gun methods of highway robbery. The "check kiter" has schemes whose execution would not even lay him liable to criminal prosecution in the event of their miscarriage.

Suppose a businesslike gentleman has a deposit of \$1 in one bank and \$4,000 in another. Suppose he needs \$10,000 more, quickly—must have it. By means of clever syphoning of his deposits between the two banks at which he has accounts, through a legitimate use of his personal checks against his respective credits, he obtains possession of \$14,000 in cash belonging to the bank, and within an hour after he first appeared at the teller's window at the first bank he is able to discharge his pressing obligations.

Perhaps it was necessity that first told men how to evade the iron-clad regulations of the clearing house; perhaps it was cupidity pure and simple. Anyway, "check kiting" is known and practiced wherever strong banks flourish, for the "kiter" cannot operate on poverty-stricken communities.

The details of a "kiting" trick are not densely intricate. Upon entering the bank where the depositor carries his large account he gives a check for \$4,000, the amount of his credit at the neighboring institution. This increases his account to \$14,000. Then he hurries over to the other bank, and there deposits his check for \$10,000 drawn against his account of that amount at the first bank, thereby establishing immediate credit for \$14,000, with the latter. He now has an available capital of \$28,000, or just twice as much as he in reality possesses. For 24 hours, or the time necessary for the checks to pass through the clearing house, he may use his doubled capital in any way he sees fit, provided only at the end of that time he has the cash on hand at the banks to cover the shortage incurred. With the twenty-four hour limit at his disposal he manages without much difficulty to hustle up loans sufficient to make good the \$10,000 he has used in discharging his obligations.

There are scores of formulas in general use by the "kiter" to extract a bank's funds without exciting suspicion. Some are comparatively simple; others are so complex that it requires the closest scrutiny and watchfulness on the part of the expert detectives to uncover them. Where two or more depositors operate in confederation, and where they apply one of the more elaborate systems open to the clever "kiter," the day when the inflated accounts must be balanced at the banks can be indefinitely postponed, and the tricksters may be in actual possession of an institution's funds to the amount of thousands of dollars for weeks at a time.

The loss of the interest alone on the cash in possession of the "kiter" when such possessions extend for a period of months runs up into the thousands of dollars for the banks implicated. The "kiter," if not otherwise benefited by his fraudulent transactions, gains by just this much—the saving of the interest on his "loan" from the banks. Even where one man operates alone he can enjoy such an involuntary loan for three to five days by "kiting" his checks between banks in different sections of the country, say, for instance, Portland and St. Louis, points between which the clearance of checks would require several days' time.

It is estimated by those who have interested

themselves in gathering statistics that fully one-fourth of all losses suffered by banks through various swindles and hold-ups, including robberies, are directly traceable to check "kiting."

Another example of ingenuity in connection with this transfer of deposits with fraudulent intent is the following cited by a banker:

"Not referring particularly to any guilty individual," says this official, "we will say that John Doe is engaged in selling lumber to a large dealer in Chicago. Doe has a good standing with his bank and draws on the representative of the Chicago firm for shipments of lumber. In the beginning this is all legitimate; the drafts are properly covered in due time. As time goes on, either through poor management or sudden depreciation of his property, John Doe loses money, and in order to keep his credit good he draws on his bank against fictitious shipments to the Chicago dealer.

"He could make it appear that the delay in covering the draft was occasioned by the assignment of the shipment to a third person by the Chicago firm, and could even draw a draft on this third consignee if his credit were unusually good. This latter explanation of a transferred consignment would be that most probably offered in case the draft against the Chicago firm should be returned to John Doe's bank unhonored. Another ruse which might be employed to gain time in this connection would be to make it appear that the car in which the shipment had been sent had gone astray.

Wideawake Western Bankers

To call the managers of a night and day bank wideawake people is consistent praise. The All Night and Day Bank is the title of a Los Angeles institution which is attracting much attention and winning a large measure of success.

The new officers are: President, L. C. Brand; vice-president, J. B. Coulston; cashier, J. S. Moore; directors, Joseph McMillan, general



J. S. MOORE

Cashier All Night and Day Bank, Los Angeles

manager of the Pacific Electric Company; C. G. Lynch, manager Blinn Lumber Company; C. H. Hance, city treasurer; I. L. Hibbard, general superintendent Santa Fe road; Irving H. Hellman, manager H. W. Hellman estate; L. C. Brand, manager Title Guarantee and Trust Company.

Money Firmer

Money continues fairly active and rates are somewhat firmer in the Chicago market. Investment buying of bonds and real estate accounts in part for the improvement. The mercantile demand for funds is normal. Counter rates for loans are 5 to 5½ per cent; secured paper 4½ to 5; call loans 4 to 4½.

Falling Off in National Bank Deposits

Washington, January 30.—Deposits of individuals in the 7,200 national banks of the United States decreased \$191,566,488 between November 10th and January 7th—a situation probably unprecedented in the reports made to the comptroller of the currency.

Of that sum more than \$150,000,000 was withdrawn from the thirty-nine national banks of New York City. No two officials of the treasury agree as to where the money went. Some are of opinion that part of the money might have gone to strengthen the New York state banks and trust companies during the flurry caused by the so-called Robin failure early in the month. Other think the huge withdrawal represented interest payments piled up in anticipation of the January dividend days. All the treasury officials, however, expressed great interest in what explanations the New York bankers might give.

A comparison with the national banks of Chicago shows that the drop was confined almost entirely to New York City. The eleven Chicago banks reported a loss of about \$9,000,000 in individual deposits. The reserve banks of the western and Pacific states and the New England states all show losses, but comparatively small ones.

The unexpected call on January 7th served to show the condition of the banks at a new angle. Not since 1879 have they been called upon so early in the year. There were no January calls whatever from 1880 to 1903, and there had been none since 1907.

Some officials think if the call had been made as usual, late in the month or early in February, the money, if it were withdrawn for dividend payments, would have found its way into the banks again.

City Bonds as Bank Surety

To require New York City bonds as bank security for the city's deposits is the object of a bill introduced by Senator Thomas F. Grady in the New York legislature.

Senator Grady said that the national and state deposits are protected by national and state bonds, and this principle is intended to apply to city deposits by the bill introduced last week. City deposits are protected now by surety bonds.

New South Dakota Bank

By a deal made at Harrold, S. D., the new Harrold State Bank takes the place of the German-American State, and will be backed by the following gentlemen: Gov. R. S. Vessey, Hon. A. W. Ewert, of the National Bank of Commerce, Pierre, S. D.; H. J. Meidell of the Beresford State Bank, Beresford; C. B. Billingshurst, Pierre; Sutherland & Payne, Pierre, and Hon. Wm. Summerside of the same place. Fred Winckler will remain as the president of the new bank.

Safe Place of Deposit

"Where Uncle Sam superintends is a safe place to deposit your funds," is the catch-your-eye line on the statement folder of the First National of Bridgeport, Ill. Thus is further sentiment built up against wild, uninspected, unsupervised banking built up.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Work of the Cuban Chapter, A. I. B.

Havana, January 30.—Cuban banking affairs are attracting attention, in the United States, and we on the other hand are learning at the feet of our prosperous and advanced brotherhood.

Bank clerks at Cienfuegos are to form a chapter of the American Institute of Banking, having obtained a charter from the American institute.

The creation of the new chapter at Cienfuegos comes as a result of an effort on the part of several officers and employees of the National Bank of Cuba in that city to organize a school of banking, finance and commercial and banking law on the same basis as that prevailing in Havana, where the main chapter was organized a year ago.

The authorization to open a branch of the institute at Cienfuegos means much to the young bankers of that city, judging by the experience of those affiliated with the Havana organization; and the prompt response of George E. Allen, educational director, is a source of great satisfaction to the association here, as it is a closer tie between the banking men of the Island and those of the United States.

It is expected that Mr. Allen will take a trip to Havana in the near future, as he has expressed a great desire to make the personal acquaintance of his associates here, and as his policy is that of the central organization in educational matters, his presence is awaited with interest by his Havana friends.

It was early in November that the Cuban chapter opened its campaign of education. It was then that the "Havana Post" called attention to the work as follows:

"That the Cuban chapter of the American Institute of Banking is an educational factor in Cuba is shown this week by the opening of a school for the study of English at its headquarters in the National Bank of Cuba building. Last month the chapter commenced its fall work with a full enrollment, and a movement was soon initiated to form an English class for the benefit of the members. To this idea the officers of the National Bank of Cuba lent their support, and they have dedicated a suitable office for the sessions, which began on Tuesday under the direction of W. H. Morales, the bank's secretary. The phonetic system of instruction has been implanted, with a view to simplifying the pronunciation of English sounds, which is the chief difficulty in the English study. As the class membership is composed chiefly of National Bank of Cuba men, whose success in life depends partly on their ability to handle foreign correspondence and foreign business in English, the organization of this new school is an important adjunct to their education, and the chapter intends to stimulate the work in every way possible. The work of Cuba chapter is a matter of congratulation to the young bankers, who find in the new school the solution of a long felt want."

W. H. Morales, secretary of the National Bank of Cuba, stated conditions on the Island very fully when he said:

"Modern banking in Cuba commenced nine years ago, prior to the establishment of the

republic, since when a banking system has grown up which affords the entire island with a means of employing its financial and credit resources on a sound, economical and effective basis. To appreciate the importance of Cuba as a banking country, certain facts should be recognized. Cuba contains an area of 45,883 square miles, including her adjacent islands, somewhat more than Pennsylvania and a little less than New York state. Her population amounts to 2,048,980 according to the census of 1907, and should be five times that amount to make her in any sense a populous country. She is situated on a highway of commerce, between North America and Europe on the one hand, and Mexico, Central and South America on the other, while the Panama Canal will make her the commercial key to the Pacific Ocean. The great source of wealth of the country is agriculture, sugar and tobacco being her leading products. Of the 3,974,000 tons of sugar produced in the Western Hemisphere this season, Cuba supplies 1,700,000. This is more than the production of the United States, Hawaii, Porto Rico and the Philippines combined, which countries yield 1,232,000 tons altogether. The annual tobacco exports of Cuba range between \$30,000,000 and \$40,000,000. The island's exports have steadily grown from \$78,382,600 in 1902, the first year of the republic, to \$117,564,000 a year ago, and \$150,000,000 the present fiscal year. The soil of the country is such that cereals, vegetables and fruits are profitably grown at all seasons of the year, and the climate is delightful, attracting thousands of tourists to the island every winter, who find it a sanitarium. These facts, taken in connection with the extent and character of American interests in Cuba, the island's position with respects to the United States, her history, political institutions and economic future, and the bearing of the Platt amendment on the mutual relations of the two countries, make Cuba a singularly interesting field of banking.

"During the Spanish times the banking of Cuba was chiefly done by banker merchants in connection with their regular line of business. The banking institution of that period was the Spanish Bank, the official organ of the Spanish government, but the general circulation of checks, credit transfers and savings bank and trust company facilities, with modern banking conveniences and inducements were postponed to the period of American intervention, when the National Bank of Cuba, with a liberal charter covering the entire field, was organized. This bank has been the official government institution since its creation under the Intervention Government in 1901 and throughout the history of the republic. It has moreover been the sole Cuban depository for funds of the United States government proper at each intervention period."

W. A. M. Vaughan, of the same bank paid a high tribute to the A. B. A., when he said

"Cuba appreciates the honor of her membership in the American Bankers Association and she is truly a part of your territory well worth cultivation by the bankers and their customers. No state in the union promises such future development of business with any other state

as does Cuba with all your states. Surely, no country has ever struggled against such changing political conditions as has Cuba during her entire existence, and at the same time shown such tremendous wealth of natural resources and commercial stability. I beg of you in thinking of the history of Cuba to distinguish between her commercial history and her political history, and if you have occasion to criticize the latter, you will admit that in a corresponding degree you must commend the former. She is interesting to you in that she sells abroad practically all her products, which are the necessities of your lives, and she buys abroad everything you have to sell, making a reciprocal market. Her foreign commerce amounts to well over \$200,000,000.00 and which must grow rapidly. There is a preferential duty in favor of the United States and yet you sell her less than 50 per cent of her imports at the present time."

Mr. Morales mentioned above is the vice-president of the Cuba Chapter, A. I. B. Herman Olavarria is president. Other officers are: A. Ruz Sauvalie, treasurer, J. F. Rivera, secretary, J. A. Solberg, assistant secretary, and Ramón Fonts, B. Figueredo, F. O. Pérez, Francisco Mayoz, committeemen.

Pittsburgh Chapter in Dutch Lunch

At a Dutch luncheon given by the members of the Pittsburgh Chapter, American Institute of Banking, in the Chapter rooms, Wabash building, last Tuesday evening, National Bank Examiner Henry A. Williams was the honor guest. Mr. Williams made an address in which he explained the duties of a bank examiner, and also outlined the relations that should exist between the representatives of the state and national banking departments and bankers. Mr. Williams highly recommended the bonding of all bank officials and cited instances where banks had failed because of the wrong-doing of some official who had not been placed under bond.

A musical program had been arranged for the evening and this included a piano solo by Harry Evans of the First National Bank and selections by the Smoky City Imperial Quartet were enjoyed. The candidacy of B. O. Hill of the Second National Bank for election to the executive council of the American Institute of Bank Clerk was unanimously endorsed. The election will take place in September at Rochester, N. Y.

St. Louis Chapter

Hon. Frederick W. Lehmann, U. S. Solicitor General and Chairman of the Board of Freeholders of St. Louis, delivered an address on the New City Charter before the Chapter, December 27, 1910.

Mr. Lehmann spoke to a large and appreciative audience, this subject being of vital interest here at this time.

Mr. Franklin L. Johnson, Asst. Cashier of the Mercantile National Bank, former President of the National Organization, American Institute of Banking, spoke before the Chapter.

(Continued on page 23)

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Best of the Season's New Books

In William Dana Orcutt's new novel, "The Lever," the author has taken for his hero a man who is in the grip of a wonderful idea,—namely, to make combination of all the important industries of the world which will benefit all human kind. Robert Gorham is a financier, dreamer, and altruist whose business projects and their influence on those about him is pictured with the attention of the reader drawn more to the personal side of the man than to his business make-up. In his desire to perpetuate his regime, he determines to marry his daughter, Alice, to Covington, an unscrupulous person who strives to undermine Gorham's whole scheme while retaining his hold on father and daughter. Alice is kept from realizing that she loves Allen Sandford, her real lover who has known her since the "pig-tail" stage, while Eleanor, Gorham's wife, seeing her husband's utter absorption in his plan, puts off the hour when she will tell him of her past life. The situation is dramatically worked up to the climax where Covington seeks to hold the whip-hand over the magnate by threatening to expose Eleanor's past life. The result is that he is disgraced; Allen, who has mistrusted him all along and has not lacked the courage of his convictions, is justified; while Gorham gives up his ambition, saves his honor, and everything is just as it should be. There is plenty of fine humor worked into the story, not the least noteworthy of which is the marked loyalty of "Lady Pat," Alice's ten year old sister, for Allen. The reader cannot fail to regret the failure of Gorham's wonderful idea, but this regret is almost lost in the thorough happiness of all those deserving it. "The Lever" is published by Harper & Bros. Price \$1.50.

"Fraternity"

"Fraternity: A Romance of Inspiration," by an unknown author (Harper & Bros., publishers), is endorsed on its outer cover by J. Pierpont Morgan as being "one of the most helpful books published during these latter years." The scheme of the story is laid in Wales with characters taken from all classes. The hero whom his friends call Edmund Haig, although supposedly nameless, has been brought up by a community of the English church, and has always regarded all men as equals and brothers, believing only in the aristocracy of the soul and intellect. The time comes, how-

ever, when all his beliefs seem to be shattered and that is when he falls in love with Blodwen Trevor, and forces himself to leave her because he has not even a name to offer her in exchange for her position. By this action he needlessly causes both Blodwen and himself unhappiness. Of course all comes right in the end when he learns what his rightful name is and he and Blodwen enter into missionary work together. The story is told in a quiet, interesting manner, and closes with the keynote of the whole story, the watchword, "Fraternity," which the author wishes to exchange with each reader before leaving him. To again quote Mr. Morgan, "It exemplifies the spirit that should animate human kind in the endeavor to develop civilization through real co-operation." The price is \$1.00 net.

"The Castle Builders"

In "The Castle Builders," the author, Charles Clark Munn, has written a story better than anything he has previously written. It is an old-fashioned love story, far removed from the superficial, and teeming with filial devotion and business honor. The chief "castle builder," a young man with plenty of brains and an enthusiastic engineer, Stacy Whipple by name, has come to a dull, little sea coast village with the healthy desire of changing it into a great manufacturing city. Here he joins forces with "Uncle Asa" Webster, a delightful old man who dispenses with a quaint and homely philosophy that is very refreshing. Of course the course of true love never did run smooth, and our hero finds the sole obstacle to his complete felicity in the deep and pure affection between Hazel Webster, a beautiful, intelligent, but simple country girl, and her father, "Uncle Asa," which renders her impervious to all his wooings. However, even this block in the road to our enterprising hero's perfect content is finally removed, and we see him a successful and happy young man, for he has accomplished his purpose in this town, although in a slightly different manner than was planned. Upon closing the book, the reader cannot fail to have assimilated "Uncle Asa's" cheery advice, to "Live, love, laugh, be happy, 'n' pass it along." "Uncle Asa" is only another of Mr. Munn's unique characters, and we feel confident that he will linger long in the memories of the readers of this book. "The Castle Builders" is published by Lothrop, Lee & Shepard Co. Price \$1.50.

"The Purchase Price"

"The Purchase Price" by Emerson Hough, a Chicago writer, is as good a novel as either "The Mississippi Bubble" or "54-40 or Fight," his former works, and ranks easily among the best of the year. It is an American historical romance, and the author has given a better account of the conditions prevailing and leading up to the Civil War than many a historian has done. The story centers about Dunwody, United States marshal and state senator of Missouri, and the mysterious and beautiful Josephine, Countess of St. Auban. The latter, an American-Hungarian, banished from her native land and coming here as an emissary of Kossuth, has all the enthusiasm of the world-revolutionist and the abolitionist, and expresses herself quite freely in the cause of humanity. Washington authorities saw the danger of having such a fascinating person around proclaiming such views, and commissioned Captain Carlisle to kidnap and "lose" her anywhere below the mouth of the Ohio. The captain became ashamed of his task and played poker to decide her guardianship. He lost her to Dunwody who takes her off to his secluded plantation where the chief events of the story occur. The story is told in excellent style, the plot is strong and unusual, while it would be difficult to find two better contrasted characters than are seen in Dunwody and Josephine. This book is published by the Bobbs-Merrill Company.

Stopping a Bank Run

Many years ago, in consequence of a commercial panic there was a severe run on a bank in South Wales, and the small farmers jostled each other in crowds to draw out their money. Things were rapidly going from bad to worse when the bank manager, in a fit of desperation, suddenly bethought him of an expedient. By his directions a clerk, having heated some sovereigns in a frying pan, paid them over the counter to an anxious applicant. "Why, they're quite hot," said the latter, as he took them up. "Of course," was the reply, "what else could you expect? They are only just out of the mold. We are coining them by the hundred as fast as we can."

"Coining them," thought the simple agriculturist; "then there is no fear of the money running short." With this their confidence revived, the panic abated and the bank was enabled to weather the storm.

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Pacific Northwest Banking News

Spokane, Wash., February 1.—The January disbursements have been heavy. The dividends of national, state and trust banks which have been paid since the first of January, amount to nearly \$250,000. The regular quarterly, semiannual or annual dividends which the national banks at Spokane have declared and paid out recently are \$133,000. The state banks and trust companies paid out, or set to surplus and undivided profits, between \$90,000 and \$100,000, and the dividends paid by the building and loan associations will increase the amount practically \$25,000. The annual net earnings of the local institutions will exceed \$600,000 for the year 1910. Few changes were made in the elections of officers at the annual meeting of the local banks.

Scandinavian Bank Successful

One of the important developments in local banking circles last week was the declaration of an eight per cent dividend by the Scandinavian-American bank. While practically all of the banks of the city declared dividends the paying of \$8,000 as the first dividend earnings of the Scandinavian-American came as a surprise to the local bankers. The institution was established in 1908, practically two years ago, and its stockholders are scattered throughout the Northwest, but the directors are all local men. It has a capital stock of \$100,000 and its deposits have made a steady advance. Although a tremendous gain was shown at the

last report given to the comptroller when the deposits jumped from \$688,520 on September 1st to \$796,803 on November 10th, and the surplus and undivided profits from \$12,136 on the former date to \$17,335 when the call came. This was an increase of \$108,000 or the largest increase by \$25,000 of any bank in the city. The last call showed \$714,793.

Work of Loan Company

The Pennsylvania Mortgage and Investment Company, a corporation composed of Spokane and Pennsylvania capitalists, held its annual meeting at the hall of the Doges at Davenport's restaurant, last week, and elected the following officers: Glancey Wilson, president; R. L. Webster, vice-president, and S. A. Nivin, secretary. J. G. Long was re-elected manager and I. W. Bedle assistant manager. The annual statement of the company showed that \$200,000 was placed in loans in 1910. Since the company was organized in 1889, more than \$27,000,000 has been placed. The average amount of city loans outstanding are now \$1,306, and farm loans amount to \$1,806.

Banks Get Public Funds

Zach Stewart, treasurer of Spokane county, has notified the commissioners of the amount of county funds to be deposited in the designated banks as follows, these figures being the maximum amount to be deposited in each of

the institutions: Exchange National Bank, \$100,000; Fidelity National Bank, \$25,000; Farmers & Mechanics Bank, \$50,000; Bank of Commerce, \$20,000; Northwest Loan & Trust Company, \$20,000; Old National Bank, \$25,000; Scandinavian-American Bank, \$10,000; Spokane & Eastern Trust Company, \$25,000; Spokane State Bank, \$5,000; Traders National Bank, \$25,000; Union Trust Company, \$20,000; Washington Trust Company, \$15,000; First National Bank of Hillyard, \$10,000, and First National Bank of Medical Lake, \$5,000.

Honors for Spokane Men

Spokane supplies officials for a large number of banks throughout the Inland Empire. At Colfax, Alfred Coolidge is vice-president of the First Savings and Trust Company and is also president of the Colfax National Bank. A. F. McClaine is vice-president. Thos. H. Brewer is vice-president of the Security National Bank of Cheney. E. T. Coman has been elected president of the Bank of Rosalia.

R. B. Sells, for some time in the employ of the Traders National Bank of Spokane, has accepted the position of cashier of the Bank of Kennewick. Mr. Sells was the second clerk of the Traders, who has left within the last year to accept positions of responsibility with other banks, Francis Brown having a few months ago become cashier of the Vollmer State Bank of Vollmer, Idaho. The Garfield National Bank at Garfield, Wash., will dis-



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P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

burse a dividend of about 15 per cent in a short time.

Law to Aid Depositors

A feature of the banking bill which is being prepared in the office of the attorney-general is a provision whereby the state examiner in the case of insolvent state banks, will be made receiver without expense to the depositors. In the same manner the attorney-general, in the case the services of an attorney are needed by the receiver, will be the attorney by virtue of his office. In case the failed bank pays its depositors 100 cents on the dollar attorney fees will be allowed, otherwise no expense will be placed on the bank, or more directly, on the depositors. This bill will be fathered by John L. Mohundro, state bank examiner. It is believed that it will be of considerable value to the depositors of insolvent banks on whom the expenses of receivership often fall heavily, few banks settling for every dollar paid in.

R. Lewis Rutter, secretary of the Spokane & Eastern Trust Company, backed by W. D. Vincent, cashier of the Old National Bank, and E. T. Coman, president of the Exchange National Bank, has made an assault upon the state legislature with regard to banking. He desires the legislature to enact laws which prevent any bank being opened in a city even of the fifth class, with a less capitalization than \$25,000, and that no man shall become a director of such a bank unless he proves his interest in that institution by the ante of \$1,000.

Idaho Banks Prosperous

The showing made by the banks at Coeur d'Alene, Idaho, indicates a prosperous year just passed. The Exchange National Bank reports a net dividend of \$17,000, divided as follows: Paid to stockholders, \$12,000; added to undivided profits, \$4,000, and to surplus, \$1,000. The officers of the bank are: President, William Dollar; vice-presidents, F. A. Blackwell and J. B. Taylor; cashier, C. O. Sowder; assistant cashier, F. D. Wearn. The American Bank and Trust Company declared a quarterly dividend of 3 per cent, and added \$544.24 to the undivided profits. The officers of the bank are: F. A. Blackwell, president; J. H. Harte, vice-president; I. H. Shallis, cashier, and A. V. Chamberlain, secretary and treasurer. The First National Bank declared its regular semiannual dividend of 6 per cent and an added 6 per cent was placed in the undivided profits account. The following officers were elected: J. T. Carroll, president; T. W. Tinkel, vice-president, and J. R. Nevers, cashier.

Bank Occupies New Building

The Union State Bank of Nez Perce, Idaho, has moved into its new \$25,000 brick building. The building is a two-story brick and concrete structure, and is handsomely fitted for banking purposes. The Union State Bank was organized in October, 1909, and its deposits on the close of business on December 31, 1910, were \$90,000. The officers are: W. S. Johnston, president; C. W. Booth, vice-president, and E. L. Klein, cashier. The majority of stockhold-

ers are well-to-do farmers, in the vicinity of Nez Perce.

J. J. Browne of Spokane has been re-elected president of the Columbia Valley Bank of Wenatchee, Wash., and Guy C. Brown vice-president. Announcement was made of a surplus of \$15,000, after a dividend of 10 per cent had been made. This institution is the oldest of its kind in central Washington and has increased in the last 10 years in deposits from \$54,932 to \$567,000 at the beginning of the present year.

At the annual meeting of the stockholders of the Lewiston National Bank, Lewiston, Idaho, which was taken over a year ago by the Union Securities Company of Spokane, J. K. McCornack was elected president to succeed F. A. Blackwell, president of the Blackwell Lumber Company. No other changes were made in the officers or directors. A 22 per cent dividend was declared and a large sum added to the undivided profits account.

Canada's Bank Statement

Ottawa, Ont., January 24.—Canada's monthly bank statement shows a reduction of circulation of \$3,000,000. Demand deposits were \$280,916,695, a reduction of nearly \$9,000,000. Deposits payable after notice are \$544,220,719, a reduction of \$7,000,000. Total liabilities are \$1,036,075,636, which is \$21,000,000 less than the preceding month.

Current loans in Canada amounts to \$94,783,437, current loans outside of Canada are \$677,066,829 and call and short loans in Canada \$63,983,912. The greatest amount of notes in circulation at any time during the month was \$94,783,437. The total assets are \$1,253,801,121.

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Guaranty Act

Montana seeks a bank guaranty act. Such a law has been introduced in the legislature, to be known as the George bill, an act to create a depositors' guaranty fund. It is a combination of the Kansas and Oklahoma laws, framed to conform to the Montana statutes.

It provides that any three or more persons approved by the state examiner, a majority of whom shall be residents of this state, may execute articles of a banking corporation. When the capital stock shall have been paid up, the president or cashier shall transmit to the state examiner a verified statement showing the names and places of residence of the stockholders and the amount of stock subscribed and paid in by each.

Such corporations are authorized to receive money on deposit to such an amount in proportion to its paid-up capital and surplus as may be fixed by the state examiner and to pay interest thereon at a rate not to exceed the rate that may be fixed from time to time by the examiner, and also to engage in a general banking business. Ten thousand dollars is fixed as the minimum capital stock in towns and cities of less than 2,500 inhabitants; \$15,000 in cities of from 2,500 to 10,000, and not less than \$25,000 in cities of more than 10,000.

The capital stock may be increased or decreased at any time by a three-fourths vote of the stockholders. The affairs and business of such institutions shall be managed or controlled by a board of directors ranging from three to thirteen selected from stockholders, and who must own at least \$500 each of the capital stock. From these a president, secretary and cashier shall be selected. Any officer found to be dishonest, reckless or incompetent shall be removed by the directors upon the written request of the state examiner. Violation of any of the provisions of the act shall be sufficient cause to cause closure and liquidation of the bank by the state examiner, while shareholders shall be additionally liable for the amount of stock owned and no more.

The state banking board shall be composed of the governor, attorney-general, treasurer and auditor.

Countess Flogs Bank Cashier

Seattle, Wash., January 31.—Lured to a room in the Hotel Archibald on the pretext that an old Alaskan friend wanted to see him on urgent business, A. F. Ruser, cashier of the Dome City Bank of Dome City, Alaska, was set upon by two huskies and held on a bed, while Countess A. B. Charbonneau flogged him unmercifully with a horsewhip and generally beat him up. After they had whipped him until he lost consciousness the trio fled.

The Countess Charbonneau, together with her sister, Miss Margaret Mulrooney, both of whom are prominent in society here, formerly controlled the bank of which Ruser is now cashier. The other stockholders recently sued Miss Mulrooney, alleging that as secretary she had stolen \$10,500 worth of stock certificates.



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RESOURCES OVER FIVE MILLION DOLLARS.



Large Reserves

Kansas City banks have larger reserves on hand now than at any time in their history, according to J. W. Perry, president of the National Bank of Commerce. There are several things that contribute to this not altogether desirable situation from the bankers' standpoint. "Business always slacks up at this season of the year," said Mr. Perry to a representative of THE CHICAGO BANKER. "A tightening up of things in the East has helped fill the eastern banks with money while in this territory the cattle feeders have begun marketing their stock. This means a lessening of demand among the country banks and those banks are sending their money to the reserve centers. Merchants are getting rid of their surplus goods at prices that mean realization of cash and this cash, of course, goes into the banks."

Mr. Perry's opinion is practically the same as that of various other Kansas City bankers who were interviewed. Thornton Cooke, treasurer of Fidelity Trust Company, is inclined to be more optimistic than he was a few weeks ago. He is finding from his investigations that the farmers of this section have done less speculating lately and are either holding their money or making substantial improvements in their farms. In either case it is an encouraging condition. "I have been talking with retail lumbermen in the Central West," said Mr. Cooke, "and I find that trade in this commodity is unusually good. There is no better barometer of conditions among the farmers than their purchases of lumber. Of course in some places where the crops have not been so good it is shown in a falling off in the demand, and that is not so satisfactory. But as a general proposition I believe conditions in this territory are encouraging."

San Francisco Wins in Congress

Washington, D. C., January 31.—San Francisco defeated New Orleans to-day in the first battle for government indorsement of the exposition to be held in celebration of the opening of the Panama canal in 1915.

The house of representatives decided for the claims of the Pacific coast on a roll call that disclosed 188 congressmen favoring San Francisco and 150 voting for New Orleans. It is expected the senate will take similar action.

The San Francisco resolution does not ask for government aid in any form. It simply authorizes the president of the United States to invite foreign nations to participate in the fair.

An effort to amend the resolution to include provisions for an international naval parade from Hampton roads through the Panama canal and up the west coast to San Francisco was defeated on a parliamentary point of order.

The New Orleans bill called for an appro-

priation of \$1,000,000 for a government exhibit and the creation of a government commission.

Enterprising Indiana Bankers

Seymour National Bank, at Seymour, Ind., is to have a handsome new brick and stone building.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

W. B. Dean, elected vice-president of the Second National, is a prominent citizen of St. Paul. He is a member of the wholesale hardware firm of Nicols, Dean & Gregg, and director of the Great Northern railway. He succeeds F. D. Montfort, resigned, at the bank. The duties will not be active. The additional director, Edwin Mott, who succeeds Mr. Montfort, is assistant cashier and with the bank twenty-five years. Mr. Dean was among the thirty-nine original applicants in 1864 for the bank charter and one of the first to subscribe for stock. In 1874 he was made a director. In 1854 Mr. Dean came west from Pittsburg. In 1861 he became member of the firm of Nicols & Dean, succeeding Nicols & Berkey. Later Mr. Gregg was admitted.

Mr. Dean is a director of the New York Mutual Life Insurance Company and trustee of the State Savings Bank of St. Paul. In 1890 he was nominee of both political parties to the state senate and was a Minnesota elector to vote for James G. Blaine.

Discuss Aldrich Plan

Twin City bankers have various ideas on the Aldrich "plan," but a few will require more time to consider before they pass final judgment.

Perry Harrison, manager Minneapolis Clearing House Association: "The general idea looks good to me. The proposed reforms are the result of years of study. If the propositions will work practically I believe they will have the public's support when presented to congress."

G. A. Lyon, assistant cashier First National: "It would, I believe, from what I know about it, operate to keep the money in circulation, the same as a central bank, but would not go against public opinion. The issuance of currency would be taken out of the bank's hands and placed in those of the association."

J. S. Pomeroy, cashier Security National: "Some such reforms are just what the country needs. Repositories will be established for the government's money, which will be kept in circulation. There will never be occasion for a shortage of money and hard times."

F. A. Chamberlain, president Security National: "It is a new proposition, the result of two years' work and thought. I think it would prove a panacea for many of our financial ills. The provision of fifteen branches appeals to me particularly, and I regard it as an improvement over the idea of one large central institution. In providing a great reserve fund it would give the nation something to call upon in time of need."

E. W. Decker, vice-president of the Northwestern National, said: "It is a plan evidently carefully thought out to give the country the benefits that would follow the establishment of a central bank, without the evil effects, or criticisms that would result. I believe the senator has succeeded in devising that form of organization that would make it absolutely impossible for any man, or group of men ever to control the association, unless we admit the possibility that one influence might own all the national banks of the country, which is too remote to be given serious thought."

"The greatest objection has been to a central bank. Some of this goes back to the time of Andrew Jackson. Some of it is of more re-

cent origin. In any case I think it is no mistake to say that a central bank, no matter how carefully the plans for its organization might have been drawn, would not escape criticism. Regardless of the good that it might do, there would always be the suspicion of control or influence from one source or another. That it would be a popular institution under any circumstances is not probable.

"Senator Aldrich seems to have arranged his plan so that the control, as distributed with limitations through fifteen local associations, and with limitations all along as to sale of the stock in the parent association and representation of associations, makes safeguards.

"He has made what seems to me a plan that is absolutely safe against the criticisms that might be directed against a central bank. He has worked out a plan that if adopted ought to give every opportunity for the exercise of those functions that, because of no centralized action, except through groups of influential men, have been lacking in the past, when most needed. At the same time he has fenced it in, and very securely, I believe, against the evil that has been feared from a central bank.

"It strikes me favorably, and I believe that Senator Aldrich has given the country something of the greatest value. If it is not carried out exactly as he has planned, his is the ground work, at least, upon which a good workable plan ought to rise."

F. E. Holton, cashier of the Northwestern National, has been re-elected president of the Minneapolis Association of Credit Men. This association entertains the national organization in 1911. Joseph Chapman, Jr., vice-president, has been elected on the board of managers of the Minneapolis club, also Robert W. Webb, secretary-treasurer of the Minneapolis Trust Company.

At its first annual election last week, the Market State Bank, organized December 17, 1910, re-elected Adam Hannah, who is president of the Savings Bank of Minneapolis, the president. The vice-presidents are Henry Bachman and N. H. Reeves. Paul Ochu is retained as cashier. E. J. Anderson was added to the board. The bank serves the market and produce commission district.

Organization of the Bank of Shell Lake, Wis., has been perfected with \$15,000 capital. Officers are: President, H. M. Lawsen; vice-president, George L. Cott; cashier, Charles A. Shaver. The latter has been register of deeds in Washburn county. Stockholders are citizens of Shell Lake.

The Merchants State of Little Falls, Minn., has elected as follows: President, G. F. Kirscher; vice-president, C. A. Sprendel; cashier, Joseph Moeglin; assistant, Charles Jensen; directors, C. A. Sprandel, Robert Muske, Jacob Kiewel, G. F. Kirscher, Joseph Moeglin.

Adam Hannah has been elected president of the Minneapolis Savings Bank to succeed John McCulloch, resigned. He has been secretary-treasurer since the bank was formed in 1889. B. W. Smith was re-elected vice-president. J. L. Larson was advanced from assistant to secretary-treasurer. Additional trustees are: W. B. McCormack, secretary Produce Exchange; E. C. Best, commission; Henry Bachman, vice-president Market State; James Gray, editor.

Winona men have bought the First State of Badger, Minn. O. E. Tawney, president of Farmers & Merchants of Roseau and Greenbush, was made president and A. G. Lokken vice-president. G. I. Brant is cashier.

Bills have been introduced in the legislature to raise the interest rate on Minneapolis permanent improvement bonds from 4 to 4½ per cent, and to provide for bonds as follows: Revolving fund, \$400,000; drainage, \$50,000; bridges, \$850,000; \$100,000 engine houses. The board of education will ask for \$1,800,000 bonds, \$1,000,000 of which is for grade schools. The board has \$250,000 unsold.

The St. Paul water board is trying to induce the city council to give authority for \$100,000 bonds for improvements and extensions.

Kelsey S. Chase, new superintendent of banks, is trying to organize a general Minnesota alumni association at the capital. Many officials, officers and legislators are graduates of the state university. Mr. Chase is one.

The Scandinavian-American, Fargo's fifth bank, opened January 3d. North Dakota Scandinavians are large stockholders. Officers: President, H. J. Hagen, Abercrombie; vice-president, Lars Christianson, Fargo; cashier, R. C. Belland.



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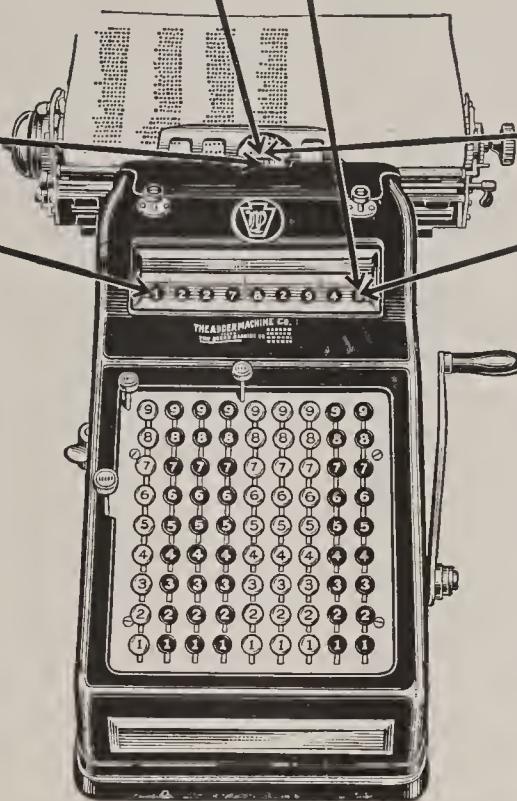
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Deposits Shrink

Deposits of individuals in the 7,200 national banks of the United States decreased \$191,566,488 between November 10th and January 7th—a situation probably unprecedented in the reports made to the comptroller of the currency.

Of that sum, more than \$158,000,000 was withdrawn from the thirty-nine national banks of New York City. No two officials of the treasury agree as to where the money went. Some are of opinion that a part of the money might have gone to strengthen the New York state banks and trust companies during the flurry caused by the so-called Robin failure early in the month. Others think the huge withdrawal represented interest payments piled up in anticipation of the January dividend days.

A comparison with the national banks of Chicago shows that the drop was confined almost entirely to New York City. The eleven Chicago banks reported a loss of about \$9,000,000 in individual deposits.

Another feature of the situation which greatly puzzles the treasury experts is that in spite of the enormous slump in deposits the banks are still holding a higher percentage of reserve than they were in November.

New Members Illinois Bankers for January

The new members of the Illinois Bankers Association reported for January are:

Bethany State Bank, Bethany; Beardstown State Bank, Beardstown; First National Bank, St. Peter; North Shore Exchange Bank, Michigan Avenue Trust Company, and Edwin T. Johnson & Sons, all of Chicago.

Chapter Record

(Continued from page 17)

ter on the evening of January 10th. Mr. Johnson handled his subject, "The General Books" in an able manner, showing clearly his thorough knowledge of the banking business.

On Tuesday evening, January 26th, Hon. Thos. J. Akins, Postmaster of the city of St. Louis spoke before the chapter concerning "Postal Savings Banks." Mr. Akins prefaced his address of the evening with a five minute genesis of the postal service tending to show that the postal service has been conducted in an efficient and satisfactory way with small cost to the people. He then began his talk of the evening by voicing the opinion that the government would show the same results in taking care of the savings of the people.

Mr. Akins believes the postal savings bank law is the result of a popular demand extending back forty or fifty years, that the postal savings bank has come to stay, although there are many details still to be worked out concerning the receiving and handling of the funds.

Ralph H. MacMichael, with the Mellon National Bank of Pittsburgh, president of our national organization, was with us on January 26th and spoke before the Chapter in the evening. Mr. MacMichael spent the day visiting the banks and other places of interest. Mr. MacMichael was guest at dinner at the Mercantile Club; those present were Byron W. Moser, Louis W. Fricke, Franklin L. Johnson, James M. Turley, Henry Ahle, Fred L. Denby and Frank C. Ball. All felt drawn to Mr. MacMichael on account of his genial personality and were much interested in his valuable suggestions. Mr. MacMichael makes friends of all with whom he comes in contact and is certainly a credit to the organization he represents as well as to his bank and chapter.

Guy Wickes Cooke

The department of advertising and new business of the First National Bank, Chicago, is to have a new head in the person of Guy Wickes Cooke, who for the past ten years has managed the printing department of the bank.

Leigh Sargent who has been advertising manager has been put in charge of the "in mail" department as manager with 90 men under him. Both promotions were upon merit.

C. R. Laws has lately been elected assistant cashier of the Boatmen's Bank. Mr. Laws has long been an active member of the chapter and his promotion is merited.

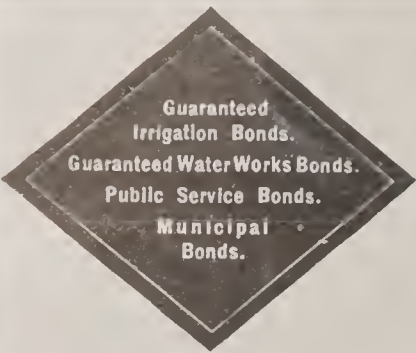
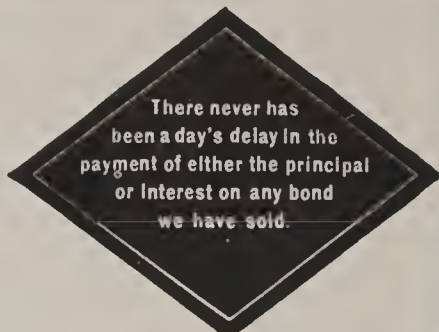
Also am glad to announce that Lawrence L. Will, another active member of the chapter, has recently been promoted to an assistant cashier of the Lowell Bank.

These promotions speak well for the A. I.
FRANK C. BALL.

Brooklyn Bank to Liquidate

The directors of the Terminal Bank at 81 Sands Street, Brooklyn, N. Y., at a meeting held on Saturday last decided to liquidate the institution. Every depositor, it was announced, would be paid in full upon presentation of his pass book. The official statement of the bank regarding the closing and liquidation was as follows:

"At the meeting of the board of directors of the Terminal Bank it was decided that steps should be taken to liquidate the bank. The depositors can be paid immediately, there being sufficient cash on hand to cover the amount due them and any creditors of the institution."

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St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, February 2.—Continued easy money for St. Louis and the region surrounding for "some weeks to come" is how W. L. McDonald sizes up the monetary situation. Speaking of the outlook Mr. McDonald said: "The principle reason to which I attribute the present low rates is the lack of business demand. Our merchants here all say things with them are active, but that is not universally the case. As a result of the recent panic, country merchants are disposed to purchase only enough to supply needs. They are not laying in large stocks, as once was the case, but are letting their shelves become as near empty as expedience will permit. This is due to the experience they had in the panic. Many were caught with large stocks, bought in advance, and when the depression came, they suffered. Now it will take some time for the memory of that to pass, but when it does, things will work back to the level which obtained prior to the panic. I should say a season more will be sufficient to wear off the keen edge of that unpleasant memory. Another thing is that the railroads are not borrowing much money. The larger systems are doing little unnecessary improving and purchasing of equipment, which fact is responsible for much idle money. If the Interstate Commerce Commission allows some slight advances in rates, doubtless things in that direction will pick up, and we will have the railroads in the market for funds. But money is plentiful. Take our own case, for instance. Under the last previous call we showed deposits of about \$55,000,000, while the total under the January call was \$62,233,000, a gain of over \$7,000,000. Receipts of funds from the interior, principally the South and Southwest are large. They are paying off their obligations down there, a veritable flood of money is turned into this center. I do not think the developments of last year will be duplicated. Then there appeared prospects for long continued low rates, when almost overnight the market tightened. This season all sections are too well supplied with funds to permit any sudden advance in rates."

Granite City National

The Granite City National celebrated its eighth anniversary this week. No ceremony marked the occasion, but what was more to the effect, the officials announced that the surplus of the institution had grown to \$50,000, and that its affairs are in a most flourishing and prosperous condition.

Trust Company Buys Bank

The chief item in banking circles this week was the purchase by the Title Guaranty Trust

Company of the Washington National. The assets of the Washington National were turned over to the American Trust Company, the banking department of Title Guaranty. By the scheme of consolidation, the stockholders receive for every two shares Washington National \$140 in cash and one share of Title Guaranty stock, which latter stock is selling around \$98. S. Nicolls, cashier of the Washington National, will be vice-president of the American Trust Company, and five directors of the latter institution will be elected to the directory of the merged company. By acquiring the Washington National the American Trust Company will have deposits of about \$3,000,000. The Washington National was the only downtown national bank conducting a savings department. The Title Guaranty, the holding corporation, has a capital stock of \$2,500,000, and surplus and profits of \$160,000. The American Trust Company is capitalized at \$1,000,000, and has a surplus of \$69,500. The Washington National's capital was \$200,000, and total assets \$1,220,000.

According to the statement issued by the St. Louis Stock Exchange, the total sales of stocks and bonds in 1910 reached only \$7,123,937, as compared with \$9,320,698 in 1909. A total of 6,651 shares of bank stock were dealt in, valued at \$1,527,109, and 6,475 shares of trust company stocks, valued at \$1,119,172. As usual the most active stocks were tractions.

One-Man Bank is Embarrassed

The German-American Bank of Lonsburg, Ill., was closed under a writ of attachment last week because there were no funds on hand to honor a check for \$117.23. Oscar L. Lancaster opened this institution a few months ago in a room back of Frazier's notion store. The visible assets were a safe of ancient vintage, a typewriter, one adding machine and a desk. Lancaster announced he would do a general banking business and invited deposits. In response to this invitation one William Muser deposited \$330, and from time to time drew against this sum until only \$117.23 remained. Then he decided to close his account, and presented a check for his balance. Lancaster, who was president, cashier, receiving and paying teller, bookkeeper and office boy, received the check as paying teller, but did not hand over the \$117.23. He was sorry, he said, but the bookkeeper had reported to the president that the receiving teller had not turned over to the cashier sufficient funds to honor the check. Muser then swore out a writ of attachment and a constable was put in charge of the assets of the institution.

Eugene H. Benoist Promoted

Eugene H. Benoist was elected vice-president of the Mississippi Valley Trust Company at a special meeting of the directory of that institution this week. He succeeds August A. Busch, who resigned about a year ago. Mr. Benoist was the first real estate officer of the Mississippi Valley Trust Company, and returns to an official connection with it after an absence of six years. He took charge of the company's newly created real estate department in 1898 and held the position of real estate officer until 1905, when he resigned. Mr. Benoist was born in St. Louis, and is a member of the pioneer French family of Benoists, which has been prominent in St. Louis banking for nearly a century.

Bankers Trust Company Meeting

The Bankers Trust Company of St. Louis, which owns stock in about 100 banks in Missouri, Illinois, Arkansas, Louisiana and Texas, held the second convention of the officers of its subsidiary institutions on Monday. Seventy-five bankers attended the meeting, and J. E. Franklin, president of the institution presided. The following addresses were delivered: "The Achieving Banker," J. T. M. Johnson, president of the Western Reserve Bank of Kansas City; "Country Bankers," W. H. Garanto, president of the First National of Little Rock, Ark.; "Guarantee of Bank Deposits," W. F. McCaleb, president of the West Texas Bank and Trust Company of San Antonio, Tex.; "The Country Bank and Its City Correspondents—Their Relation," J. A. Lewis, president of the National Bank of Commerce, St. Louis; "Needed Banking Legislation in Arkansas and Difficulties of Obtaining It," O. N. Killough, president of the Bank of Wynne, Wynne, Ark.; "Molasses Catches More Flies than Vinegar," L. W. McCrory, cashier of the First National, Eureka Springs, Ark.; and "Temptations of an Amateur Banker," W. E. Talley, vice-president of the Bankers Trust Company, St. Louis.

Bank Officials Get Married

Something unique in the history of Golden City, Mo., was recorded this week when two bank officials were quietly married. The high contracting parties were C. H. Button, cashier of the First National of that place, and Miss Bessie Pence, the assistant cashier. The Buttons are now away on their bridal tour. It was stated that upon their return, Mrs. Button will resume her duties as assistant cashier, while Mr. Button will again occupy the cashier's chair.

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CHICAGO, ILL.

Activity in Bonds

There has been continued activity in the Chicago bond market, several financial houses reporting the heaviest security business in January that they have ever known.

Idle capital and a desire for high-class investments of a non-speculative character are given as the causes of the activity in bonds. Most of the transactions are in local securities. The large real estate issues have been specially active.

Several blocks of New York 4¼ per cents have been absorbed in Chicago this week. Local railway securities also have been greatly in evidence.

Sales of new securities in January reached a total of \$170,000,000. The compilation does not include the \$60,000,000 New York City bonds or other issues of municipal securities, but only the bonds, stocks, and notes sold by the railroads and industrial corporations. Railroad bond sales amounted to \$67,000,000, and the \$22,000,000 New Haven notes sold in Boston brought the total of new railroad security issues up to \$89,000,000. The total of \$170,000,000 is \$55,000,000 greater than the total for January, 1910.

Negotiations were concluded Tuesday for the purchase by the Union Trust Company of Pittsburgh of \$5,000,000 first mortgage 4 per cent 50-year gold bonds of the Winston-Salem South-bound Railway Company of North Carolina. The bonds are dated July 1, 1910, and are payable July 1, 1960, the interest periods being January 1st and July 1st.

The Winston-Salem Railway is jointly owned by the Norfolk & Western Railway Company and the Atlantic Coast Line Railroad Company and runs 89 miles from a connection on the north with the Norfolk & Western at Winston-Salem, N. C., to a connection on the south with the Atlantic Coast Line Railroad at Wadesboro, N. C.

Harris, Forbes & Co. and the National City Bank of New York are offering at 98 \$15,000,000 first mortgage 5% bonds of the Chicago Railways Company maturing 1927. The company through sale of these bonds financed its capital requirements including the purchase of the lines recently acquired from the former Consolidated Traction system. The bonds are a first lien on the entire property. When the proceeds of the bonds have been expended the valuation as fixed by the city will be about \$71,734,875 against \$40,955,000 of the bonds outstanding. The city shares in the profits of the company.

A block of \$1,000,000 new New York City 4¼% bonds when issued, due 1960, sold at 101⅞. This is the largest single block ever sold on the New York Stock Exchange.

The balance of the \$1,350,000 Bloomington, Decatur & Champaign 5% bonds offered by N. W. Halsey & Co. has been sold.

Lee, Higginson & Co., have bought \$4,000,000 American Agricultural Chemical Company first mortgage 5 per cent convertible gold bonds, due October 1, 1928.

The Union Trust Company, of Pittsburgh, has disposed of \$6,000,000 of the new Pittsburgh Crucible Steel Company 5 per cent first mortgage thirty-five year bonds at par and interest.

A private cable from Paris reported the sale of \$25,000,000 Southern Pacific 4 per cent bonds in Paris, with an option of \$25,000 additional.

Business Improves

Vice-President R. J. Beatty of Inman Steel Company was a visitor at Western Trust and Savings Bank the fore part of the week. His views on the business outlook were much in demand, as the steel industry through the early part of the winter seemed to represent the one weak spot in trade. Mr. Inman was in a cheerful mood and said the Inman Company's business was steadily improving. He thought the same was true of the country as a whole.

South Dakota Banker Here

Cashier R. L. Dennis of Sioux Falls Savings Bank was a caller at La Salle Street National Wednesday. Mr. Dennis was in an optimistic frame of mind as to South Dakota's prosperity. He said that land values had advanced owing to large and uniform corn crops until they are on a parity with those of Iowa. The region around Sioux Falls has both corn and wheat as well as big live stock interests. That section has suffered little from drouths.

F. M. Gettys in Town

F. M. Gettys, cashier of Union National, Louisville, was a visitor at Fort Dearborn National recently.

Visit of St. Louis Broker

E. C. King, a partner in the firm of Geo. H. Burr & Co., at St. Louis has been in Chicago this week on bond business.

Annual Banquet

The tenth annual banquet of Chicago Chapter American Institute of Banking was held last Saturday evening in the Gold Room of the Congress Hotel. Hon. Francis W. Walker delivered an address on the basic principles of city government; Charles A. Alden talked on "Modern Patriotism" while Francis T. Simmons took the subject of "Chicago in the Abstract."

The speaking without exception, proved a treat, particularly that of Mr. Alden, who was described by Mr. Simons in the following terms: "With the form of a Hercules; with the voice of a god; with the philosophy of a Socrates and with the eloquence and oratory of a Webster."

Chicago bank clerks have been fortunate in hearing some of the best speakers at their various functions, but seldom, if ever, have they listened to a speaker of such dramatic eloquence as Mr. Alden. He held the interest of his audience from beginning to end.

The opposition of the Civic Federation to the initiative and referendum was criticized.

"It is nothing less than supreme egotism," he declared without mentioning the organization to which he referred, "for any bunch of men to come out with a verdict against the initiative and referendum when we have voted for both rights by 3 to 1."

The Harmony Trio, composed of Oscar J. Kloer, John S. Meck and Leon Crozier, whose specialty it is to dispel any somnolent tendencies, filled in the gaps with songs, dialogues and minstrel jokes.

Goes on Bank Directorate

Clyde M. Carr, vice-president of J. T. Ryerson & Son, has been added to the board of directors of the Corn Exchange National to fill the vacancy caused by the death of Isaac G. Lombard.

National Surety Has Good Year

The National Surety Company has issued its annual report for the twelve months ending December last, which shows large gains over the previous twelve months.

Goes South for Bank

Assistant Cashier Charles Fernald of Fort Dearborn National leaves next week for Texas, Oklahoma and other parts of the South and Southwest in the interests of the bank.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877. As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agent for National Banks

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INVESTMENT

BONDS

The Rookery

CHICAGO

Telephone, Harrison 7660

Des Moines, February 2.—The influence of the Iowa bankers in opposing the tax ferret law was quite noticeable in the house of representatives when that body voted to repeal the measure, by a decisive vote. It is expected that the senate will take a similar view and there is every reason to expect that the statute which has become odious to Iowa people in general will be laid on the shelf. The Fulton bill repealing the statute and which was passed by the house, makes it illegal for cities, towns or counties to employ a tax ferret. The debate on the bill was interesting but it was shown that the tax ferret bill has outlived its usefulness. The bankers of Iowa are particularly interested in this measure. For one thing, the tax ferrets have been boasting that they would secure the enactment of a law permitting them to examine the books of the various banks so as to assess the amounts therein deposited by the patrons of the institution. It was this fact that stirred the legislative committee of the Iowa Bankers Association to urge upon bankers the importance of making a fight on the tax ferret system.

State Guaranty Bill

The bill for state guaranty of bank deposits has made its anticipated appearance in the Iowa legislature and has attracted little or no attention. The sentiment that seemed somewhat in evidence in favor of the measure two years ago, seems lacking now. The bill gives the state auditor almost unlimited power in controlling banks, and provides for a guaranty tax of 1 per cent of the daily deposits. New banks formed after the statute becomes effective must pay 3 per cent of their capital stock. The auditor is given permission to summarily oust any bank official of whom he is suspicious as to dishonesty, recklessness or incompetency. When the guaranty fund is depleted, the auditor may levy another tax of 1 per cent to build it up. National banks may get in on the guaranty by paying the annual 1 per cent tax.

Improved Conditions

Financial conditions in Iowa are visibly improving according to Des Moines bankers. There is an active demand for money and the bankers are filling the demand in good shape. Farmers are disposing of their live stock and crops and there are indications of a continued revival of commercial activity. Reports of an easing up in money matters in the East have found a reflection in the Middle West.

Proposed Taxation Change

Senator Jewell of Winneshiek county, has introduced a bill in the Iowa legislature for a repeal of the law taxing moneys and credits and replacing it with a flat tax on mortgage statute. The measure provides that a flat tax of 50 cents for each \$100 mortgages shall be paid as a filing fee when the mortgage is filed. Another bill of interest to bankers has been introduced by Senator Bennett of Adams county. It places private banks upon the same footing as state and savings banks as regards control, regulation and examination. Senator Bennett declares that there should be some method of becoming acquainted with the conditions that prevail in institutions of this character.

Sending Money to Europe

Cyrus Barr, cashier of the Des Moines National, has noticed that the foreign population in Des Moines is decidedly loyal to the folks

back in Europe. Every day, he says, he draws drafts for Des Moines foreigners in favor of relatives in the "old country." This was particularly true at Christmas time.

Visiting Bankers

Among out of the city bankers in Des Moines recently, were Cashier Guy E. Lee, Exchange State Bank at Stuart; T. E. Newcomer, assistant cashier Fort Dearborn National, Chicago; Cashier M. V. Henderson, Jr., First State at Hawkeye; Assistant Cashier D. E. Lomas, First National, Villisca; President J. C. Voorhies, Bank of Anita; President E. Simmons, Osceola Bank; President Charles Voss, German Savings, Davenport; President C. T. Chubb, Algona State, Algona; President E. R. Barringer, Farmers Savings, Ruthven; President J. W. Likens, Bank of Truro; Cashier R. A. Rockey, Russell State; Cashier D. W. Bates, Albia State; Cashier R. R. Craig, Corydon Bank; Cashier C. W. Snider, Wichita Falls, Tex., City National; President W. S. Farquhar, College Springs Bank; R. H. Perry, Bradgate; Cashier Martin H. Troup, Rhodes Bank; President L. B. Carhart, Bank of Sheffield; T. W. Rawson, Slater; H. J. Holmes, Perry.

Banking Notes

Among out of the city bankers in Des Moines recently were Cashier R. R. Craig, Corydon Bank; Cashier L. N. Swindler, Yale Savings; Vice-President R. E. Jones, Farmers Bank at Webster City; President J. B. Elliott, Knoxville National at Knoxville; President S. C. Culbertson, Citizens State, Panora; President J. A. Johannason, First National at Colfax; President J. H. Brown, State and Savings, Chariton; Cashier W. A. Fawcett of the Atkins Savings; Cashier Lovell Swisher, First National of Iowa City; Cashier J. W. Bowman, First National of Marion.

Secretary P. W. Hall of the Iowa Bankers Association, was not successful in trapping a forger named W. C. Williams, alias C. F. Brown, who passed a fraudulent check on a real estate company for \$375, and made his escape despite the efforts of the doughty little secretary to land him. However, through the efforts of Mr. Hall, the forger was induced to give up the amount of money that he had secured. When the detectives arrived, the man fled. Brown, or Williams, is wanted at Albia for forgery, according to reports which reached Secretary Hall.

E. J. Curtin, president of the Citizens Savings of Decorah, was in Des Moines last week. He talked at length regarding the postal savings bank established at Decorah. Mr. Curtin says that little is heard of the institution at Decorah and he sees no indication whatever that it will interfere in the slightest degree with the deposits in the ordinary banks. The bank was placed at Decorah largely because of the foreign population in that vicinity.

The bankers at Mason City held a meeting last week to plan for entertaining the Iowa Bankers Association at the state convention in June. The session was held at the City National. Committees were appointed to make preliminary arrangements. The bankers are enthusiastic and it is quite evident that the visiting bankers will be well taken care of by Mason City, which has a reputation for hospitality.

A bill was introduced in the Iowa legislature Saturday, compelling the county treasurer and

The

Chatham National Bank

NEW YORK CITY

ESTABLISHED IN 1850

FRANK J. HEANEY

Vice-President

LOUIS G. KAUFMAN

President

WILLIAM H. STRAWN

Cashier

HENRY L. CADMUS

Assistant Cashier

Smith's Financial Dictionary

By HOWARD IRVING SMITH

Recently Issued

Cloth. 543 Pages. Price, \$4.50

This work is indispensable to a bank in answering questions that daily arise. It is the only Financial Dictionary published. It is more than a Dictionary, however; it is likewise an Encyclopaedia. It describes in fullest detail, in clear language, Banking, Money, Credit, Securities, Contracts, Commercial Paper and other Negotiable Instruments, Domestic and Foreign Exchange, Speculation in Stocks and Bonds, Grain, Cotton, Coffee, Provisions, etc. It is a complete financial library in itself.

Smith's Financial Dictionary is adapted not alone for banks and bankers, but for corporations, brokers, exporters, importers, manufacturers and merchants, and also for lawyers. It is an entirely new work, consisting of 543 large pages, printed from clear type, on superior paper, and strongly bound. It contains no advertisements.

THE CHICAGO BANKER

MONADNOCK BLOCKCHICAGO

school treasurers of Iowa to put the public money in the banks. The bill provides that the money shall draw 2 per cent on 90 per cent of the daily balances. The bill is similar to a measure which was before the Solons at the last session.

George L. Dobson, county treasurer of Polk county, is seeking to persuade the people of Des Moines to purchase the \$185,000 refunding bonds to be sold by Polk county February 7th. The bonds bear 4½% and are a good investment, says the county treasurer, who is seeking to urge Iowa people to keep their money at home.

John Olson, state bank examiner, has resigned. It is understood that he will be a candidate for national bank examiner to succeed W. P. Jones, who resigned recently. Mr. Olson lives at Forest City. He will quit the service of the state as soon as his inspection is completed in Western Iowa.

Official announcement has been made that Sioux City will become a reserve center on March 1st. It is anticipated that much of the money from South Dakota institutions will be handled by Sioux City banks after that date. This money is now handled through Des Moines, Omaha and Minneapolis.

J. G. Rounds has returned to Des Moines after a stay of several weeks in Mexico, where he has been inspecting the so-called revolution at short range. Mr. Rounds is inclined to believe that most of the revolution is newspaper talk. He is president of the Citizens National, Des Moines.

Saloon keepers in Des Moines are stirred up over a proposed law making it illegal for saloons to cash checks. This custom has prevailed for years in Des Moines, especially by laboring men who are paid in checks on Saturday afternoon after the banks have closed.

Sidney Wayne Richardson, president of the First National at Creston, whose death occurred at that place, was laid to rest at Sidney. the funeral was largely attended. Mr. Richardson was one of the best known of southern Iowa bankers.

Des Moines bank clearings for the week ending January 28th, showed a slight decrease as compared with the clearings for the corresponding week last year. The total for the week was \$3,391,799.88, a decrease of \$160,433.37.

Glen Reibsamen has been elected cashier of the Le Grand Bank, succeeding J. W. Hockett. O. M. Thatcher will be vice-president. The bank was purchased by Reibsamen's father, Mr. Thatcher and the People's Savings, of Des Moines.

County Treasurer Dobson has turned over to the Polk county treasury \$16,424.53 as interest collected on the county funds for the past two years.

Mrs. C. V. Arnold, wife of a well known retired banker at Mt Pleasant, died at her home in that city last week of paralysis.

The First National, at Milford, has announced the erection of a new bank building this coming season.

Slump in Wheat

A variety of influences have combined in the last week to cause a slump in wheat. The local market broke to 95 for May and 93 for July. Since the extreme depression prices have been steadier under more confident buying. Fair weather throughout the West, a free movement of country supplies, lack of damage reports and different foreign buying have helped the bear side. Business at the board of trade is not large, comparatively speaking, but it is rather more active than during the weeks when the market stood above the dollar level.

"For over Forty-five Years

this bank has been in business, under government inspection and supervision. It enjoys the distinction which comes from age, experience and successful management" is the telling paragraph used at the top of its statement folder, by the National City Bank, of Ottawa, Ill. It has a beautiful building of its own, of the monumental type and shows deposits of \$1,635,026.63. In Illinois it is quite the fashion to advertise that a bank is under supervision and inspection by state or federal officers. Publicity has made other kinds of banking very unpopular.

Carmichael is Promoted

R. A. Carmichael, district passenger agent of the Illinois Central, has been advanced to division passenger agent. He is the official who handled the bankers special to the Cairo convention last fall so acceptably.

Bank Stock Quotations

Among the more active Chicago bank stocks quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK	Book Value
Ashland State Bank.....		110	1.04
Austin State Bank.....	300		2.28
Calumet National.....	150		1.44
Central Trust Co.....	169	172	1.48
Chicago City Bank.....	172	180	1.45
Chicago Savings.....	145	148	1.22
Citizens Trust.....	150		1.16
City National (Evanston).....	300		2.28
Colonial Trust.....	180	183	1.75
Continental & Commercial.....	279	281	1.65
Corn Exchange National.....	429	433	2.86
Drexel State.....	145	150	1.16
Drovers Deposit National.....	222	228	1.69
Drovers Trust.....	178		1.66
Englewood State.....	124		1.21
Farwell Trust Co.....	118	121	1.13
First National.....	419	423	2.67
First National (Englewood).....	280		2.21
Fort Dearborn.....	190		1.28
Hibernian Banking.....	220	225	1.67
Illinois Trust.....	498	502	2.78
Kaspar State Bank.....	250		1.81
Kenwood Trust.....	150	152	1.28
Lake View Trust.....	139	144	1.21
La Salle Street National.....	117	120	1.26
Live Stock Exchange National....	242	250	1.41
Merchants Loan.....	430	433	3.03
Metropolitan Trust.....	125	130	1.32
Michigan Avenue Trust.....	135	138	1.30
Monroe National.....	130	135	1.22
National Bank Republic.....	200	202	1.64
National City.....	226	228	1.28
National Produce.....	144	148	1.34
North Avenue State.. ..	138	141	1.37
North Side State.....	160	175	1.59
Northern Trust Co.....	314	318	2.64
Northwest State.....	123		1.11
Northwestern Trust.....	147		1.36
Oak Park Trust.....	315		1.90
Peoples Stock Yards State.....	208		1.35
Peoples Trust and Savings.....	161	165	1.52
Prairie State.....	250		1.04
Pullman Trust.....	159	164	1.79
Railway Exchange.....	125		1.14
Security Bank.....	205		1.64
Sheridan Trust & Savings.....	113	115	1.11
South Side State.....	142	148	1.04
South Chicago Savings.....	149	155	1.46
Standard Trust.....	133	135	1.26
State Bank of Chicago.....	359	361	2.25
State Bank of Evanston.....	296	300	2.35
Stockmen's Trust.....	115	120	1.18
Stock Yards Savings.....	209	214	1.75
Union Bank (Chicago).....	140	145	1.21
Union Trust Co.....	275		2.01
Washington Park National.....	135		1.09
Wendell State Bank.....	110		1.17
Western Trust.....	149	151	1.12
West Side Trust.....	200		1.61
Wilmette Ex. State.....	120	130	1.08
Woodlawn Trust.....	160		1.28

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The state legislatures of Missouri, Kansas and Oklahoma are all considering bills of various kinds affecting banking and trust business, but no bill has yet appeared that contemplates radical changes from existing laws. In Oklahoma a spirited contest has been going on in the senate with reference to the formation of a state banking board. The so-called Roddie bill providing for a state board of bank commissioners to consist of the governor and two other members to be appointed by him finally passed by a very close vote. The chief matter of discussion was whether the two other members of the board should be experienced bankers. As finally passed in the senate the governor may appoint anyone whether he is a banker or not. The Oklahoma senate also voted to reduce the salaries of state bank examiners from \$2,400 a year, which was provided in the Roddie bill, to \$1,800. The compensation of the members of the banking board came in for heated argument, but it was finally decided to allow them \$6 a day and expenses, which was a reduction from \$10 a day and expenses provided by the Roddie bill.

Question of Reserve Agents

Another important piece of legislation in Oklahoma was also a senate bill allowing the state banks to use national banks as reserve agents. The fight on this proposition was very bitter as some of the senators were interested in national banks. The Roddie banking bill above referred to provided that state banks must carry their reserves with banks within the state of Oklahoma that were protected by the guaranty fund. They were to be allowed to carry not more than 10 per cent of their capital and surplus in banks within the state that were not protected by the guaranty law. It was intended to prohibit Oklahoma banks carrying any part of their reserve deposits in banks in Wichita, Kansas City, St. Louis, Fort Smith, Dennison and other outside cities. When put upon its final passage the Roddie bill was so amended that the state banks will be allowed to place their reserves where they please within or without the state.

An amendment to the Oklahoma state guaranty law was passed by the senate which permits banks to retain their contributions to the state guaranty fund until such a time as it is needed.

Trust Company Organization

The organization of trust companies in the smaller towns of Oklahoma is allowed by a bill introduced by Senator Stewart. The present law fixes a minimum capital of \$200,000 for trust companies regardless of the size of the town in which they are located. This has prohibited the formation of trust companies in the smaller towns. The Stewart bill allows a capital of \$25,000 in towns of from 5,000 to 20,000 population and \$50,000 in cities from 20,000 to 50,000. The bill as originally drawn made a minimum of \$100,000 in all cities of 50,000 and over. This would apply to Oklahoma City alone, and the financial interests of that city agreed to ask that the minimum be made \$200,000, which was done. An amendment to the Stewart bill, which was adopted without opposition, provides that no trust company engaged in the banking business may carry the stock of any other bank as an asset and still another amendment makes the double liability feature of the bank law apply to stockholders in trust companies.

The Missouri state bar association some time ago appointed a committee to draw up a new incorporation act for business and manufacturing concerns. The new law will have several salient features, chief of which will be an absolute honest appraisal of capitalization assets, to which the capital stock will be limited. In addition no charter will be issued unless the whole stock is taken up, either in cash or by subscription, and before a charter will be issued these facts must be attested before a circuit court. Some means will be provided also to examine stock of foreign corporations which is offered for sale in Missouri. This is the same plan as that proposed by Bank Commissioner Dolley of Kansas to prevent the selling of "wildcat" stock in that state.

There have been no new bank bills introduced in the Kansas legislature since those reported in THE CHICAGO BANKER of last week.

Banking Notes

Chief Wilkie of the secret service bureau has declared that the \$10 counterfeit certificate drawn on the Wichita (Kan.) National Bank is the most perfect counterfeit bill he has seen in many years. The lathe work by which most spurious bills are so easily detected, has no flaws, and the bill itself bears none of the earmarks which usually disclose counterfeits. It is believed that several thousand of these bills have been circulated in Kansas.

At the preliminary hearing of Alex. Menard, who was arrested at the home of his brother at Wymore, Neb., suspected of belonging to the famous Wymore gang of bank robbers, was bound over for trial under \$2,000 bond. He was charged specifically with helping rob the Beattie State Bank November 8th.

The three men charged with robbing the Strasberg, Mo., bank December 23d, George M. Rogers, James Smith and Edward McGaormick have been held for trial by the district court at Pleasant Hill, Mo.

A charter has been issued in Missouri for the American Trust Company of Kansas City. The new company has an authorized capital of \$1,000,000, of which \$250,000 has been subscribed and \$125,000 paid in.

William T. Kemper, president of the Commerce Trust Company of Kansas City and H. C. Flower and A. D. Rider of the Fidelity Trust Company, spent several days last week in Jefferson City on business with the state banking department of Missouri.

Secret service men from Kansas City have rounded up a gang of counterfeiters in the Ozark mountains of Southern Missouri. One of the gang is believed to be J. B. Durham, of Licking, Texas county, Mo., who is now in jail. The bills attributed to this gang are excellent imitations and are on the German National Bank of Beloit, Kan.

Neil Muleahy, who was arrested in Kansas City some time ago suspected of being a Kansas bank robber, was identified by witnesses at Waterville, Kan., of being one of the men who robbed the bank there three weeks ago.

J. J. Toevs, president of the German-Swedish State Bank of McPherson, Kan., died Monday, January 23d, at his home in that city. Mr. Toevs was born in southern Russia in 1861, and came to America as an emigrant in 1871,

and settled in Morris county, Kan. He learned the banking business, and after years of experience organized the German-Swedish State Bank of McPherson. He died worth several hundred thousand dollars.

J. G. Streat of the J. G. Streat Investment Company of Kansas City has returned from a business trip to Chicago.

The Missouri Savings Bank of Kansas City has moved into its new building, 920 Walnut Street. This is one of the handsomest bank buildings in the West, being erected for the exclusive occupancy of the Missouri Savings Bank.

Can You Beat These People?

When the town of Lamro, S. Dak., lost to the town of Winner, a hotly contested campaign for the honor of being the county seat of Tripp county, did it retire into political sulks or plot any form of political revenge?

Not for a minute!

It executed a coup d'etat, truly Napoleonic and in one stroke turned Defeat into Victory and reduced the Winner of the Conquest to the consistency of Futile Whispers. In this manner:

As soon as it was learned in which way the question had been decided, the "business houses of Lamro" (to quote the local historian) "were placed on wheels and taken across the prairie to the new town," and Presto! they were the County Seat! Nor is this all. The Farmers' State Bank of Lamro, in a manner known to South Dakotans only, was found in the trip across to have increased its capital 100 per cent.

Used Oak Log for Bank

A heavy oak log with veins of \$10 gold pieces was discovered in the cellar of a hut occupied by Jacob Zeis, aged 74, a hermit of Maestown, Ill.

Herman Klasterman, who lives on a farm near the Zeis hut and who had not seen the old man for several days, went to his home to investigate the cause of Zeis' absence. Zeis was found dead in bed. A note on the table said he was too ill to go to a doctor and that he had considerable money secreted in the cellar. Search of the cellar revealed a heavy oak log in one corner, and when this was closely examined a number of small holes with wooden plugs were seen. One of the plugs was extracted and gold pieces fell to the floor. An hour's work rewarded the coroner with a pile of \$10 gold pieces amounting to \$300.

Crooks Stir Up Indiana

Warning is being sent out to Indiana banks by the State Bankers Association notifying bankers to be on the watch for several clever swindlers who are working a "smooth game." The crooks operate under a number of aliases, one of which is "Lon Hamilton," the name used to defraud a Hartford City bank a week ago when a forger deposited two checks for \$187 and \$179 and received a certificate of deposit from each bank, later presenting the certificates and receiving the money. The warning says that "Perry L. White" is one of the crooks engaged in the deception.

THE INVESTORS'

PRIMER

JOHN MOODY

There has long been a demand for a concise handbook which would give, in simple, understandable language, definitions of all the important terms and phrases employed in the investment and banking business. This little book represents an effort to in some measure supply this demand.

The book is really in two parts, the first part covering the general definitions of finance; the second giving specific information regarding the various issues of preferred and guaranteed stocks which are generally classed among the investment issues. Many other small books furnish information regarding bonds, quotations, etc., etc., but this specific and useful information has not, as far as the writer knows, been heretofore presented for popular uses, in this particular way.

Price, per copy, \$1.50 net; by mail, \$1.62

THE CHICAGO BANKER

407 Monadnock

Chicago

The Art of Wall Street Investing

By JOHN MOODY

This is a practical Handbook for investors, treating the subject of Wall Street Investing in a sensible and original manner. It is the first modern attempt to cover the subject in an attractive and popular form, and in such a way as to be of interest to the individual investor as well as the more expert banker and broker.

"The book deals in a clear, popular and entertaining way in the methods, terms and phases of Wall Street Investing, giving rules for analyzing railroad securities and statements, and explaining syndicates and reorganizations."—The Wall Street Journal.

"It is lucid, original and sound. I should think it ought to find use as a text-book in University and College Departments of Economics."—Prof. E. Benjamin Andrews.

"It is a book of great interest to business men and investors in general. Mr. Moody devotes a chapter to 'get-rich-quick schemes,' which will be an eye-opener to those guileless ones who are ready victims of the great army of sharpers that infest the land."—Buffalo Courier.

SYNOPSIS OF CHAPTERS

I.—Safety and Security. II.—Bonds and What They Represent. III.—Stocks and What They Are. IV.—Analyzing Railroad Securities. V.—Industrials and Tractions. VI.—Investments vs. Speculation. VII.—"Get-Rich-Quick" Schemes. VIII.—Reorganizations and Syndicates. IX.—The New York Stock Exchange. X.—Wall Street Phrases and Methods.

The volume is handsomely printed and bound in red cloth, being uniform in size with "The Pitfalls of Speculation." Price, per copy, \$1.00 net. By mail, \$1.10.

THE CHICAGO BANKER

MONADNOCK BLOCK

CHICAGO

Oklahoma Law

The plan to prevent national banks from acting as reserve agents for state banks of Oklahoma was defeated in the senate of that state this week, and the Roddie banking bill was passed without such provision. Senator Roddie, author of the bill voted against the measure on final passage on account of its elimination. The only amendment made on the third reading named the bank commissioner ex officio secretary of the board.

Texas Banker in Chicago

Vice-President W. Cooley of Rio Grande Valley Bank, El Paso, has been a caller at Continental Commercial this week. He reports a gradual improvement in business throughout the Southwest.

Minnesota Banker on Visit

G. A. Wright, cashier of First National of Grand Meadow, Minn., was a visitor at Continental Commercial Wednesday. Mr. Wright said there was a comfortable feeling in financial circles in his section with the prospect of a prosperous year in agriculture.

Transfer of Bank Control

A controlling interest in the Broadway Bank and Trust Company of Los Angeles has been purchased by a syndicate of stockholders of the Citizens' National Bank. It will be conducted in the relation of a trust company to the Citizens. The capital stock of the Broadway is \$250,000.

Improves Vault Equipment

The Hermann Safe Co. of San Francisco has shipped 60 tons of steel-vault work to the Los Angeles Trust and Savings Bank.

Plans General Bank of Canada

Montreal, January 31.—Robert Bickerdike has introduced a measure in Parliament for the establishment of the General Bank of Canada. The capital will be \$10,000,000.

Bank Holds Reception

Hundreds of people attended the informal opening of the new bank building of Farmers and Merchants National at Wabash, Ind., recently. There was much interest in the event.

Omaha Banker on Visit

Cashier W. H. Bucholz of Omaha National Bank was a visitor at First National, Chicago, Tuesday. He reported a better demand for money and a general improvement in business.

California Bankers Hold Meeting

Officers of California Bankers Association held the first meeting recently in the Savings Union Bank building. Reports read showed the flourishing condition of the association throughout California. Almost without exception banks have found it advantageous to be protected against the work of forgers and swindlers. Since May the protective committee of the association has secured 18 convictions. The next meeting will be held at Lake Tahoe, commencing June 15th.

Bank Gives Prizes for Corn

The First National of Fargo, N. D., has offered \$1,000 in cash prizes for a state contest in 1911, which is expected to stimulate corn growing. For the purpose the state is divided into four districts. Judges are to be selected by the state agricultural college and awards will be made at the next tri-state convention in 1912. The corn will be auctioned by the judges for the benefit of the state children's home for orphans and homeless.

Bank Crash Causes Suicide

Despondent over losses caused by the failure of a bank at Billings, Mont., of which he was the cashier, Robert M. Newton jumped from a bridge into the Illinois river at Ottawa, Ill., Tuesday evening and drowned. For many years he was a banker at Yorkville, Ill.

New Bank for Danvers

Springfield, Ill., January 31.—State Auditor J. S. McCollough has issued a permit to O. P. Skaggs, A. B. Miller, Robert Otto, Frank Simpson and William Shorthose to organize the Farmers State Bank of Danvers at Danvers, McLean county, with a capital of \$40,000.

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Money to Loan on Real Estate

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For Sale. Two safe deposit vaults. One medium size, suitable for banks, also one large vault with two entrances. Also two bank chests. For particulars, address, Max Schubert, 757 Washington Avenue, No., Minneapolis, Minn.

Phonograph. New. Cost \$200. Sell for \$110. Address, D-136, Chicago Banker.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

For Sale. 57 long focus Seneca No. 9, case and 6 Premo holders. Cost \$50.00. Sell for \$25.00. Like new. D. 721 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,
407 Monadnock Block, Chicago.

Bank Robbers Sentenced

Brookings, S. D., February 2.—The men convicted of burglarizing the First National Bank at White and the Farmers and Merchants State Bank at Bushnell on November 30th, received sentence yesterday. Frank Loftus will serve eight years and nine months, William Forbes five years and one month, and William Reed and James Latan four years and nine months each.

At the Auto Show

R. C. Burchell, cashier of the First National at Erie, Ill., and Joseph H. Ingwersen, president of the Peoples' Trust and Savings Bank, Clinton, Ia., were taking in the auto show on Wednesday.

Favor Government Supervision

Testifying before the Railroad Securities Commission in Chicago, General Counsel Hanson of St. Paul, said: "I think Federal supervision of securities extremely advisable and it may be entirely practicable. If issue of securities by interstate carriers comes within its right to regulate commerce congress could exercise that power to the exclusion of the states. Two kinds of such regulations are obviously impossible."

The Railway Securities Commission was impressed by the testimony by railroad executives to the effect that exclusively Federal regulation of securities if practicable would be beneficial with certain limitations, and that interference with instruments of credits should involve corresponding protection, such as limiting of possible rate reductions.

In a sensational statement, Rufus Dawes said: "No greater blow could be delivered to the hopes of rate reductions than to check the flow of capital toward railroad investments."

J. J. Mitchell said Federal railroad regulation would anticipate future evils besides curing many present ones, but he could not see how states could be forced to yield regulatory power. If banks can capitalize surplus railroads should have the same privileges. Prices of new securities are determined by credit of roads' values and interest rates. Buyers and sellers fix terms regardless of interference.

"Banks do not ordinarily buy railroad bonds. They take bonds of commercial industries, which pay higher returns. Bonds are bought when there is a plethora of money. When money becomes scarce, and it is desirable to realize on bonds, securities are found to have fallen several points below purchase price and it is necessary to wait half a year before they can be sold at original cost. Banks have avoided railroad bonds, but I feel that it might have been better if they had kept to apparently less profitable securities."

Standing of National Banks

This statement has been given out by Secretary MacVeagh: "The relative strength and conservative management of banks are indicated in a material measure by the protection afforded depositors in the accumulation and maintenance of a substantial surplus. As a general rule, the larger the surplus the greater the volume of deposits; but it is evident taking all national banks into consideration, that the relative increase in deposits is greater than the increase in surplus. In 1907 the ratio of capital to individual deposits was \$1 to \$4.82 and in 1910 \$1 to \$5.13. The ratio of capital, surplus and profits to deposits in 1907 was \$1 to \$2.65, while in 1910 it was \$1 to \$2.74. The deposits of lawful money in bank to individual deposits varies but slightly. In 1907 the banks held \$1 for every \$6.16 of individual deposits; in 1908, \$1 for \$5.24; in 1909, \$1 for 5.87, and in 1910, \$1 for \$6.04 of individual deposits."

Will Open Trust Department

The Real Estate Title & Trust Company of Chicago has given notice to its stockholders of a meeting to be held in the afternoon of February 25 in the offices of the company, 96 La Salle Street, to create \$300,000 worth of treasury stock, all of which is reported to have been subscribed for "by strong financial people not heretofore connected with the company." After this step is completed a trust department will be opened.

President Gorham in Chicago

Among the visiting bankers in Chicago Wednesday was President C. E. Gorham of First National, Marshall, Mich., who comes over annually to swap stories with Vice-President August Blum of First National.

Swan Creek, Ill., Bank Robbed

Monmouth, Ill., January 31.—The Swan Creek private bank, fourteen miles south of here, was robbed of over \$3,000 in stamps and cash last night. The safe was blown to pieces by six charges of nitroglycerin.

The reports aroused everybody in the village but no move was made to capture the robbers, who were seen escaping in two stolen livery rigs.

A young man about 22 years old was arrested on his arrival here to-day on a train. He had a grip filled with money, stamps, pistols, burglar tools and nitroglycerin. He gave his name as A. C. Carroll of Chicago. Cashier Stice of the Swan Creek Bank identified \$2,500 in bills as belonging to his bank.

Another suspect, who gave the name of James Reed, was taken from a train also. He was armed and had a supply of nitroglycerin.

Bank Stock Stolen; Mail Robbed

A duplicate certificate, numbered 89, for ten shares of Kenwood Trust and Savings Bank stock owned by F. N. Webster, was stolen on Monday night, and banks and brokerage firms in Chicago have been warned against buying in the stock. The theft of the certificate occurred when a drug store in 55th street, where the certificate had been registered for mailing, was broken into by thieves and the stamp and cash drawer rifled.

The certificate, which is in the name of E. O. Heyl, 3812 Forest Avenue, was in the hands of Zeiler, Fairman & Co., for transfer to Mr. Webster.

Cotton Controversy Again

At the annual meeting of the London City and Midland Bank Sir Edward II. Holden, the managing director, referred to "the unrest among European bankers and cotton brokers, caused by large losses through forgeries in cotton bills of lading."

He said that the suggested validation certificates were unsatisfactory, and added: "Further proposals will be made to the American railroads, which, if accepted, will place Europeans in a much safer position, but whether the railroads will grant the concessions asked remains to be seen."

Colossal British Savings

The people of the British Islands in 1910 saved one billion, seven hundred and four million, five hundred thousand dollars. This unprecedented sum is mostly being exported to augment the five billions of British capital invested in North America, the two billions invested in Argentine railways, the other billions invested in Australia, China, India, South Africa, in nearly every corner of the earth.

Light the Great Political Antiseptic

Washington, D. C., January 31.—Publicity in the administration of the public business, publicity in party management, publicity in the processes of choosing candidates for public office, publicity in the committee rooms of congress—in fact, publicity in all branches of politics was the "hobby" which Gov. Woodrow Wilson of New Jersey to-night told the members of the National Press club he most cherished.

For Panama Bond Bill

Washington, January 31.—Chairman Hill of the special subcommittee of the committee on ways and means, after a meeting of his subcommittee reported favorably the measure recommended by Secretary MacVeagh, which provides for an issue of \$100,000,000 of Panama bonds without circulation privileges.

Mainly About Banks and Bankers

(Continued from page 3)

POWHATTAN BOLLING (some name) who formerly represented McCoy & Co., of this city, in Ohio, has united with Weil, Roth & Co., of Cincinnati.

B. B. SEYMOUR, formerly bank superintendent for Ohio, has been elected president of the National Bank of Ashtabula, and is glad to be back in the harness.

PRESQUE ISLE COUNTY SAVINGS, Rogers City, Michigan, will be in their new banking room by July 1st. A. H. Andrews & Co., of this city are building the fixtures in the latest and best style.

JOSEPH CHAPMAN, JR., will leave Minneapolis on the 7th for Panama and South America, going via New Orleans. Will be gone about a month.

GEORGE GUCKENBERGER, of the trust company section, may not be able to attend the Nashville meeting, being ill at his home in Cincinnati.

SECRETARY HOOPES of the Texas association will start his annual swing around the group circle on February 11th at Dallas. Then the big special train will go to Hillsboro (13th), Austin (14th), San Antonio (15th), Houston (17th), Brady (20th, and Fort Worth on the 22d. The boys who travel out for the reserve banks just revel in this early spring outing. Mr. Hoopes does the worrying for them.

SOME of those "down state" papers which rail at our referring to him as "Farmer Edens" are due for a call down. From a prominent man in Deadwood, S. Dak., we learn that as a boy W. G. was a real farmer on his farm in Michigan. This was in — but here we refuse to give the year.

BUT the Deadwood man writes that "I felt then and still feel that the qualities (this will cost a dinner) which won the confidence and esteem of all with whom he came in contact would certainly be the means of bringing him into a position of honor and trust." This is real and the farm was "Bay View Farm, Bingham, Mich."

MONROE NATIONAL held its first annual president's dinner at the Chicago Athletic Club, last week. The menu was bound up in a statement folder, and was duly sealed and stamped with every emblem in use in the bank. There were twenty in attendance. The piece de resistance was a "Show-me" chicken—that came from Missouri. The dinner is to be an annual event.

YOUR old friend Luther Drake has packed his golf clubs and Omaha will be in mourning while he plays havoc with the greens down in Georgia during February.

BANKING in California is a fairly remunerative business. McCloud National paid 24% last year. F. W. Clark is the new cashier, to succeed William Thompson. Mr. Clark formerly was cashier of the Exchange State Bank at Lime Springs, Iowa. Deposits average half a million with new accounts being constantly added.

C. H. McNIDER, Mason City, will join the pilgrimage to the "Big Council" powwow at Nashville May 1st-3d. Don't forget, you committeemen that you are entitled to go (expenses paid) and to have just as large a time as Mr. McNider or anybody else on the council.

GEORGE F. ORDE, Minneapolis, says "sure I'm going and want to join the party at Chicago." Orde is the new member for Minnesota. He was obliged to miss the Los An-

geles trip and hasn't gotten over it yet. He is whetting up his nibble for Nashville.

ANDREW J. FRAME, member for Wisconsin is going along also, but he is very formal even in little things, hence he writes "and in answer thereto will say, I approve of the same. He ought to get "upper 3" for that but gets a compartment instead.

MERCHANTS, NORTHERN AND HARRIS trust companies are united in offering Chicago Railways Company five per cent gold bonds at 98 and interest. Should be a strong favorite in investment circulars.

C. FREDERICK CHILDS has gotten his bond house launched with half a million of paid up stock and we expect to see "things doin'" over in his corner. Experience, energy and money to work on—well, we see no handicap on the outlook.

BACHE & COMPANY must have a grouch on, for to them "the wheels of business are not turning with any speed. There is a slow, steady revolution from day to day to meet hardly more than daily needs. Such a thing as energy or enterprise applied to new projects is almost unknown these days."

AREN'T you glad no big Chicago firm sends out such blue stuff? Of course, down East, they all talk "shop" greatly in their circulars, and in past decades they made it pay. Everything is booming when they want to sell and the country is going to demnation when they want to buy.

NOW here's a little breeze from the Coast. The American National, San Francisco, says: "Timely and abundant rains, breaking the longest drouth recorded for many years in California, encouraged the belief that the present year will repeat the generous harvests of 1910 and ensure a continuance of prosperous conditions. The ground is now in shape for plowing, and a large acreage will be sown with grain. The heavy snowfall in the Sierras provides a sufficient supply of moisture in the great valley, and the agricultural outlook is altogether promising."

WHEN we get a letter from Mr. Lugenious Blue of the East it is cheering, in the same mail, to get a breezy whiff from Mr. Optimus West.

FREDERICK E. FARNSWORTH is the real goods. It's a good deal of a man when the good, old Journal of Commerce interviews him for a front-page story, with big black headlines. You can read it in another column of this issue.

YES, and doesn't it make you swear (almost) when you remember those dirty pikers with their bogus telegrams and innuendos at Los Angeles. "Going to beat Farnsworth," was their cry (if far enough behind his back) but beating a landlady out of her bill, we think, is more in their line.

"THE ROOT OF EVIL" by Thomas Dixon, is a new Doubleday, Page & Co., story which you must read. You know Dixon and you deal largely in the "root" so there you are. Says Dixon, in one paragraph: "Surely his like had never been seen in the history of man—this modern money-maniac, this strange creature of iron muscles, always hurrying, darning, scheming, plotting with never a moment's relaxation, day or night, eating or drinking, working or sleeping, in his office or in his home, going or coming in his yacht with wireless tower, his private car with telegraph office, his secretary always by his side, a telephone always at his bed, with no time to live, with no time to love, with only time to fight and kill and pile the spoils of war on high!"

GERMAN-AMERICAN, down at Bloomington, had a full page spread in one of the local papers. The bank is nine years old and deposits have grown from \$25,291.51, May 12, 1902, when it made its first statement, to January 1, 1911, when they were \$1,240,244.72. The bank issued "Good will" drafts to all callers, drawn on the Corn Exchange National, Chicago, good for 365 cheerful days.

THE GERMAN-AMERICAN has the choice of men of the city among its stockholders and on its board.

GATES A. RYTHERS vice-president of the Live Stock Exchange National, has returned from an 8,000-mile trip through the West. He says the bankers along the Pacific coast feel a little apprehensive on the business outlook for the next two or three years as a result of the present prosecutions of corporations and rate controversies, but that in the territory farther inland there is more confidence.

WT. FENTON, vice-president of the National Bank of the Republic, has sailed for a six weeks' vacation trip in Europe.

BANKERS differ in kind. Take the little instance in mind touching the reservations on the "Nashville Special" to the Big Council meeting. One banker will cautiously inquire "for the itinerary" (a one night ride) before he ventures to reserve a berth. "Yes, indeed, and thank you" telegraphs another hearty soul. Another "hasn't heard yet officially that the meeting is to be in Nashville and when he does will 'let you know.'"

"I AM pleased with your action," writes one nationally known banker. Why is it the big fellows are so tarnal nice and the little ones so suspicious? Then comes another which make a fellow feel good. He says "I thank you for the courtesy. It's mighty good of you to arrange this service for the fellows, and while I express only my own appreciation, I want you to feel that everybody else feels the same way about it." There's one of the elect, when it comes to being a big, generous, kindly banker in the A. class.

"I APPRECIATE your kindness," says one from the far north. A few there be who think we are having a big profit out of a special train. Yes, almost as much as the drug clerk makes on two cent stamps. But we like it and the good fellows all like it, so there you are.

OUT in Iowa they say that Federal Judge McPherson certainly is making good as a first aid to the injured corporation. In one day last week he restrained the city of Des Moines from enforcing an ordinance lowering the price of gas and the Iowa Railroad and Warehouse Commission from putting in operation a rule reducing the freight rate on coal.

PERHAPS Deneen really has no bona fide candidate for mayor of Chicago, but only is stalling Vail and Smulski the better to extract pledges for his friend Eckhart, to be his own successor at Springfield.

THEN suppose Harrison should promptly declare for Graham, when he is nominated? Wouldn't that make the Only Carter the democratic candidate for governor? Yes, and—but what's the use? This is for the politically minded only.

FINGAL, N. D., (yes, it's on the map) and it's where C. E. Batcheller of the "Big Council" lives (when at home) and is cashier of the First National. This all is preliminary to the big calendar which he sends out containing a beautiful "Christy Lady" in an oval setting. She's a peach!

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Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

FEBRUARY 11, 1911

Entered as Second-Class Matter January 15, 1903, at the
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10 CENTS A COPY

Walsh Dividends

As a result of careful financiering by the Chicago Clearing House Committee the forty-five bankers who have been carrying the Walsh securities are steadily acquiring dividends which eventually will return the seven millions advanced to prevent loss to depositors in the Chicago National, Home Savings and Equitable Trust.

At Tuesday's meeting of the committee dividends were declared as follows: Three per cent cash on the outstanding participation certificates; 28 per cent in income bonds of the Terre Haute and Southeastern Railway Company, newly organized to take over the Walsh railroads, and 14½ per cent in stock of that company.

Previous to this the dividends amounted to a fraction less than 25 per cent. The total to date, therefore, is about 70 per cent, and there is a certainty of further disbursements within the year, according to bankers who are familiar with the Walsh properties.

First Trust and Savings Bank is trustee for all the bankers concerned and President J. B. Forgan was authorized by vote to make the disbursements as described.

There have been years of labor and anxiety in connection with the adjustment of Mr. Walsh's affairs, and still there never has been a moment when the many bankers directly interested doubted the wisdom of the policy adopted to save the city from a financial crash at the time of the failure. Nor has there been the slightest doubt as to the ability and integrity of the clearing house committee in carrying out the program agreed on by the forty-five banks and individuals participating.

Few incidents in the financial history of the United States have aroused equal interest with this. The outcome of the experiment is being watched by bankers and other students of economics the world over. The final success of the plan will be striking evidence of the need in every community of public spirit and unity in banking, for in the Walsh case these principles have had their highest exemplification.

Asks a Million

In order to extend the postal savings bank system, after the test made in connection with the depositories established at one postoffice in each state, the immediate appropriation of \$1,000,000 will be urged.

Postmaster-General Hitchcock states that reports thus far received from the postal savings depositories covering business of the system during January, the first month of its operation, showed most gratifying results. If the necessary appropriations were available, he says, the department would immediately establish banks in 500 cities.

Deposits for January probably will amount to \$60,000, and if this average is maintained, the year's aggregate for the forty-eight initial depositories will be close to three-quarters of a million. This indicates what can be expected of the system with the establishment of many additional offices. The average amount of deposits being received per postoffice, as indi-



Twelve million dollars worth of new buildings have been erected in Minneapolis in the past five years to meet the requirements of increasing business development.



J. N. KEHOE
Maysville, Ky.

Mr. Kehoe is president of Mitchell, Finch & Co's bank, and president of the Kentucky Bankers' Association, in which association he has been a valuable and consistent worker.



C. H. WORDEN
Ft. Wayne, Ind.

Mr. Worden is vice-president of the First National and president of the Indiana Bankers' Association, having come up through the chairs with a good record.

cated by the January returns is larger than the corresponding average for the most successful year in the history of the British system.

The immediate appropriation of \$1,000,000 is asked to permit the prompt extension of postal savings facilities to a considerable number of the numerous postoffices that are applying to be made a part of the system.

Money Steady

Money is steady in the Chicago market at the somewhat higher range reached last week. Counter rates for loans are 5 to 5½ per cent, nearly all of the larger transactions being made at the inside figure. Secured paper is quoted 4½ to 5. The small business reported in call loans is around 4 per cent. The inquiry for money indicates a broadening of general business. There is fair activity in bonds. It is thought the railroad situation will steadily improve in view of assurances that a reasonable advance in freight rates will be permitted.

Railroads to Win

"Sentiment among financial people in New York is better than I have found it for a year," said George M. Reynolds, president of Continental-Commercial, who returned from the East. "Business generally, and more particularly the steel business, is better, though there is not much snap to it yet. Less attention is being paid in New York to the coming supreme court decisions, for it is the general belief that they will not be so drastic as was supposed some time ago. It is also the general belief that the railroads will get enough of an advance in freight rates to make a sentimental help if it does not amount to much in actual dollars and cents.

"There is a plethora of money, of course, and rates are low, but it is considered that this will be reflected in the prices of highclass bonds and investment stocks and that we may get back to the old levels of security prices."

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Surplus and Profits \$9,500,000

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JOHN FLETCHER



Mainly About Banks and Bankers

WE suggest that the esteemed Chicago Tribune allow its friend Wayman to try his hand at earning that "\$1,000 reward." There ought to be something he can do except to cause the tax payers to shiver every time a grand jury meets.

IF the present plans are carried out, the national monetary commission will meet with the legislative committee of the American Bankers Association probably at the Nashville meeting of the big council and make plans for some measure of monetary relief which will be urged on congress when it meets in December.

W. J. KOMMERS, so long and intimately connected with the affairs of the Old National at Spokane, has been elected cashier of the Union Trust & Savings of the same place. Now if they wish to erect a skyscraper they will find that also to be in Kommer's line.

IN banking there is a Rubicon which may not be crossed.

EVEN private bankers may well keep a little shy of the shore. Just the other day the cashier of a down-state national, a bank of finest reputation, was a caller. He said, "I have noticed your paper is strictly in favor of publicity, supervision, and inspection for all forms of banking. You're right about it."

"BEFORE going into a national I was cashier of a private bank, one of the best of them. The proprietor had three business enterprises in the town of which he was the sole owner. The ostensible heads of the concerns were, in fact, his employees. All bills for goods, supplies, improvements, etc., for those concerns were paid right out of the bank funds, out of the depositors' money."

"WELL, it all turned out right in the end. Lands bought in the Northwest, likewise with the bank's money, advanced in price and saved the day. It was enough of that kind of banking for me."

"HOW about your capital?" was asked. "There wasn't any capital at all and our balances in Chicago, New York and elsewhere were carried in the proprietor's own name."

MOST of our readers in Illinois will recognize the accuracy of this man's description of how unsupervised banking was done even in "one of the best private banks in the state."

THREE compartment cars now are "full-up" for the Nashville pleasure jaunt of the big council, the little councils and the various A. B. A. committees. One cautious member, whose bank is just in the edge of the big woods, writes in "I would like to go with you, but (notice the 'but') I want to go with the crowd." The world is full of him and they don't recognize the crowd when they see it.

L. G. KAUFMAN, who still is president of The First National of Marquette, and a member of council for Michigan, hopes to come to Chicago and go down with his friends of

the West. He is the president of the Chatham-Phoenix combined nationals in New York and is welding up a big, showy bank.

BANKERS Club of Chicago will hold their 115th meeting in the ball-room of the new Hotel Sherman February 13th. The guest of honor and orator of the evening will be the eloquent Martin W. Littleton, member of congress from New York.

A NEW YORK jury has decided that bank wrecker Robin is not insane. Only his creditors belong in the foolish house.

SAN FRANCISCO won the fair in a walk and thus disturbs our confidence in Sol. Wexler, for he assured us he had it all fixed for New Orleans.

NEBRASKA bankers are being taken in, in a small way, by a man who negotiates (liberally of course) drafts on Wisconsin banks, and by another individual who uses an Alliance, Ohio, pass-book showing \$1,000 credit. Same old story of trying to bag a commission on cashing checks for a stranger.

HUGHES' protective department has scored another complete victory in the capture of the guilty one in the famous "Sible Forgery Case," the crime being committed on a Nebraska bank. Took time and money.

NEBRASKA has, since last May, returned in commissions direct to members, \$3,400 earned on typewriters, and other supplies. This service is real and the saving to any bank will more than pay all association dues. Then there is the protective feature as well. The association spent \$200 getting Sible and the loss by his forgery was only \$154. It pays that bank pretty well.

LONDON NATION selects from fiction publications of 1910 fifteen works which it considers notable. Among these only six were published in America—"A Motley," by John Galsworthy, "Tales of Men and Ghosts," by Edith Wharton, "The Finer Grain," by Henry James, and "Celt and Saxon," by George Meredith, "Clayhanger," by Arnold Bennett, "An Affair of Dishonour," by William de Morgan. Of these the first four were published by Charles Scribner's Sons of New York.

NO junior officer, nor department head is half so necessary to the successful operation of the bank as he thinks his president thinks he is. We know of a case or two where too much was "banked" on this very assumption.

VERMONT will hold its second annual state convention at Brandon on February 22d. The program opens at 2:30 P. M. and provides for a banquet in the evening. At least 75 bankers are expected to attend. F. H. Farrington of Rutland Springs is secretary. Good speakers will be in attendance.

THE BOOSTERS COMMITTEE of Fort Madison, Ia., is circulating a postal of heroic size showing that city as a regular skyscraper metropolis in 1915. The imaginative

artist is none other than your old friend J. A. S. Pollard, a cartoonist of ability.

BANK Commissioner Zimmerman of Michigan, just before quitting his office for a more lucrative one, put on file an opinion from Attorney-General Franz C. Kuhn, putting the ban on private banks as public depositories. Mr. Kuhn, in his opinion said:

"I AM of the opinion that the statute should not be construed to include private banks. Generally, when reference is made to a bank this means an incorporated bank and not a private bank. For example, when a note is made payable at any bank in a city, this is held to mean an institution incorporated for banking purposes and does not include a private bank."

GEN. KUHN cited cases, of course, to show that the courts in other states had invariably held against private banks being acceptable public depositories. His own decision was based upon Act 99, passed in Michigan in 1899. The Attorney-General went on to say that:

"THE legislature has passed a law providing for the incorporation and organization of banks and making them subject to the state supervision. Under that law, as under the federal law providing for the organization of national banks, the stockholders are liable in double the amount of the stock held by them. It seems to me that when reference is made in the statute to a bank, it means an incorporated bank organized under the state or national banking laws. A private banker, so-called, conducts his business under Chapter 133 of the Compiled Laws of 1897, the same being an act relative to brokers and exchange dealers. The law prohibits the private banker from advertising or putting up any sign tending to convey the impression that the place of business is an organized bank. If he advertises, he must use his individual name, and may add thereto "bank," "banking office" or "exchange office." I do not think the place of business of one conducting a private bank is a bank within the meaning of Act 99, Public Acts of 1909."

IT seems that the same question was brought up and decided once upon a time in Illinois.

THE case in question was that of the City of DuQuoin vs. Kelly, 176 Ill. 218. An ordinance was passed by the city requiring the treasurer to keep the city funds in a regularly organized bank. It was held that the ordinance contemplated a bank organized under the state or national banking law and not a private bank owned by an individual. The court said:

"WE ARE of the opinion that the term 'regularly organized bank,' in the city and village act, means a bank organized either under the state law or the act of congress, and that it was not intended by the legislature that a city officer who has given bond for the safe keeping of the funds in his hands should be

(Continued on page 31)



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Banking in Russia, Austria, the Netherlands and Japan

Washington, February 10.—“Banking in Russia, Austro-Hungary, the Netherlands, and Japan,” is the title of the most recent volume which the National Monetary Commission has added to its series of publications on banking and currency. The article treating of the banking system of Russia by Profs. Idelson and Lexis, the Netherlands by R. Van der Borgh, and Austro-Hungary by Prof. Zuckerkandl are translations from the third edition of Conrad's *Handwörterbuch der Staatswissenschaften*. The banking system of Japan is fully described by Marquis Katsura, finance minister of Japan; Baron Sakatani, ex-minister of finance; S. Naruse, a private financier; and Prof. O. M. W. Sprague, of Harvard University.

The publications of the National Monetary Commission serve two purposes; first, they furnish the material necessary for an intelligent revision of the banking and currency laws of the United States and, second, they are invaluable sources of information both for the student of finance and the practical financier.

Organization of Banking in Russia

The first banks in Russia were established by the government in 1754. In this year two banks were organized to “loan money on the precious metals and on precious stones, and to grant credit on the security of mortgages on estates cultivated by serfs.” A third institution “was to be a commercial bank for the merchants of St. Petersburg.” All three banks were allowed to receive deposits of private individuals. Their capital was supplied by the state. By 1785 these banks had been closed because of mismanagement. From this time until 1860, when the Imperial Bank was established, various state banks were organized. Their history presents the following characteristic features: “The dominant role played by the state banking system and the consequent close connection between the banks and the national credit; the late beginnings of private banking and the complete absence of private banks of issue; the tendency toward a comprehensive regulation of private banking by the state.

The Imperial Bank is a purely state institution directly under the control of the minister of finance. “The central administration consists of a council of the bank, a governor, and two deputy governors.” The capital of 50,000,000 rubles was supplied by the government. There are a number of main and secondary branches.

“The business of the bank comprises the discounting of bills and other paper maturing at a fixed date, the granting of loans and credits, the taking of deposits, and the reception of valuables for safe-keeping, the purchase and sale of bills and other paper, the issue of drafts drawn in one locality upon some other place, and buying and selling on commission. * * * No other state institution has hitherto attempted to grant credit to agriculturists and manufacturers so readily and with the exercise of such leniency in the event of difficulty of payment.”

Since November 26, 1897, the bank has been bound to make specie payments and to redeem

its notes on demand. The redemption of the notes is guaranteed by the entire resources of the government. The Imperial Bank is allowed to issue notes as needed by the money market up to 600,000,000 rubles against a gold reserve of 50 per cent. Any issue in excess of 600,000,000 rubles must be fully covered by a gold reserve.

In 1908 the notes in circulation amounted to 1,155.1 million rubles, the deposits to 606.8 million rubles, and the gold reserve to 1,161.5 million rubles, making a good reserve of 66 per cent against demand liabilities.

Banking accommodation is also provided in Russia by joint stock banks, municipal banks, and mutual credit associations, of which classes of institutions the first is by far the most important.

The Bank of the Netherlands

The Bank of the Netherlands, a central bank of issue, is a joint stock company created by the royal decree of March 25, 1814. “The supervision over the bank has been exercised since 1863 by a royal commissary.” The management of the institution is carried on by five directors, elected by the shareholders, and the president and secretary, appointed by the sovereign. The capital of the bank is 20,000,000 florins. Since 1863 there has been no limit to the amount of note issue. “The ordinance of 1864 prescribed a metallic reserve of 40 per cent against bank notes and all other demand liabilities. The rest of the circulation is covered by bills and collaterals on loans.” The notes are redeemable on demand at the main office, subsidiary office, and at the 102 (on March 31, 1907) branch offices. Although the Bank of the Netherlands was originally given a monopoly of note issues, this express monopoly was taken away in 1863. However, no other bank has been granted the privilege of note issue.

The bank is obliged to act gratuitously as the fiscal agent of the government and as collecting and disbursing agent for the postal-savings banks. Out of the net earnings an amount equal to 3½ per cent of the original first of all goes to the shareholders. Ten per cent of the remainder is to be assigned to the surplus until it reaches 25 per cent of the capital. Three per cent of what is left is then allotted to the directors and commissaries, and beyond that the profits are distributed in the proportion of two-thirds to the state and one-third to the shareholders.

During the year 1906-7 the bank notes in circulation amounted to 270 million florins, the demand deposits to 5.6 million florins, and the metallic reserve to 135 million florins, or 49 per cent of demand liabilities.

The Austro-Hungarian Bank

“The Austro-Hungarian Bank was instituted in 1878 as the successor of the Chartered Austrian National Bank. This had been established in 1816, mainly for the purpose of undertaking the withdrawal from circulation of the paper currency of the Austrian Government.” Throughout its history the bank has been intimately connected with the government and with the reform of the currency.

The governor and the two vice-governors of the bank are appointed by the Emperor on nomination of the ministers of finance. The shareholders are represented by a council of twelve, whose resolutions, however, must be passed upon by the governor of the bank. The bank has a privately owned capital of 210 million crowns, and has 254 branch offices. Bank currency is issued subject to the provision “that if the circulation exceeds the metallic reserve (in which foreign bills up to 30 million florins might be included) by more than 200 million florins, the bank is to pay a tax of 5 per cent on the excess.” The bank notes have been redeemable in gold since the removal of the legal-tender quality from government notes in 1903.

The government participates in the profits of the Austro-Hungarian Bank as follows: “Out of the net annual earnings a sum is first of all to be distributed among the shareholders equal to 4 per cent of the paid-in capital; after that 10 per cent of the net earnings is to be allotted to the surplus and 2 per cent to the pension fund; of the remainder, in so far as the total dividends do not exceed 6 per cent of the paid-in capital, one-half is to be assigned to the shareholders and one-half to the joint governments; of what remains after that one-third is to be distributed in dividends to the shareholders and two-thirds are to go to the two governments.”

At the end of 1907 the loans and discounts of the bank amounted to 873.3 million crowns, the note circulation was 2,028 million crowns, the deposits were 151.7 million crowns, and the metallic reserve was 1,380.8 million crowns, or 63 per cent of the deposits and circulation.

The “giro” system, which provides for payment by means of additions to or deductions from accounts current, is very highly developed.

The Banking System of Japan

The banking system of Japan is unusually interesting for several reasons. It has been entirely developed in 40 years; “it affords a unique instance of a central bank working among a numerous company of other banks”; it offers a good illustration of special banking institutions organized for specific purposes; it offers an instance of the establishment of a banking system originally modeled on the national banking system of the United States.

In 1872 an imperial ordinance was promulgated authorizing the establishment of national banks which were to be allowed to issue notes secured by government bonds. The national banks had difficulty in keeping their notes in circulation because of the large amount of inconvertible government paper. In 1882 the minister of finance strongly urged the establishment of a central bank. In accordance with this recommendation the Bank of Japan was founded in October of that year to facilitate currency reform and to regulate the rate of interest. “Its charter and by-laws were closely modeled upon those of the National Bank of Belgium, with the exception of provisions regarding the issue of notes, as to which the example of the Reichsbank was taken.” No re-

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newals of the 20-year charters of the national banks were granted and, consequently, the last charter expired in 1899.

At present the Bank of Japan, consisting of a head office and eight branches, has a privately owned capital of 30,000,000 yen. Its governor and vice-governor are appointed by the government. It is privileged to issue convertible bank notes. Any issue beyond 120,000,000 yen and not fully covered by gold is taxed at least 5 per cent. The minister of finance is authorized to fix the tax at 5 per cent or more.

In 1909 the Bank of Japan held government deposits amounting to 182.2 million yen, other deposits amounting to only 5.6 million yen, and had notes outstanding amounting to 352.8 million yen. Among its assets its "loans and advances," "domestic bills," and "foreign bills" amounted to only 69.9 million yen, or but 11.4 per cent of its total assets, while "deposits with foreign agencies" and "gold coin and bullion" amounted to 228 million and 221.5 million yen, respectively. This shows that nearly all the credit operations involve the issue of notes and that the domestic loans are comparatively insignificant. The connection between the Bank of Japan and the deposit banks, numbering 2,155 in 1909, is not intimate. The Bank of Japan is a government and currency institution rather than a bank for banks.

The Yokohama Specie Bank (24 branches) is "under government control, and its chief object is to act as a financial organ for foreign trade." The Hypothec Bank of Japan acts mainly as the financial medium of agriculture, and was founded on the lines of the Crédit Foncier de France. "Its principal business consists in making long-period loans at low rates of interest on the security of real estate, for the purpose of the improvement of agriculture and industry." It operates through the 46 agricultural and industrial banks which were established for the same purpose. The Industrial Bank of Japan is designed as a credit institution for industry. "Its scope is limited, in the main, to making loans on the security of national loan bonds, local loan bonds, or shares of companies, receiving deposits of money, and taking charge of goods intrusted to it for safe-keeping."

Prof. Sprague is of the opinion that, because of the great differences between the United States and Japan, "the experience of the Bank of Japan, while interesting in itself, does not yield much in the way of guidance for this country."

Swan Creek Bank Robbed

Galesburg, Ill., February 8.—The Bank of Swan Creek was robbed yesterday, six charges of dynamite being used. The robbers made their escape. There was about \$3,000 in the safe.

Banks in Liquidation

The Gorham National Bank of Gorham, N. H., and the Peoples National Bank of Jonesville, Va., have been placed in liquidation.

Banking Opinion

Sir Edmund Walker, C. V. O., LL. D., D. C. L., president of the Canadian Bank of Commerce, head office at Toronto, in speaking of the general business conditions in Canada, said:

"Doubtless the feeling most strongly present at the moment regarding business conditions in Canada is that we are enjoying a prosperity as great as we have ever known. Whatever significance the check of 1907 had at the time or should still have, even the memory of it seems to have passed away, and with larger foreign and home trade, larger bank clearings, a larger amount of building in cities, a larger amount of railway construction and larger immigration than in any previous year, it would be strange if we felt otherwise. Our Western crops were not to our liking this year; bankers know that a little more expansion may make money scarce, and the pace of real estate speculation has brought on the inevitable temporary exhaustion, but important as these things are, they have little effect on the situation as a whole. Even the large reduction in the volume of business in the United States is regarded as mainly due to political unrest and as have no direct bearing on our position. That we are experiencing very great prosperity is a matter evident to all, but if we examine in detail the circumstances accompanying this prosperity, there is much that is not satisfactory. Great Britain is a country which can afford to import much more than it exports because the world owes it annually an enormous sum for interest and other things for which it must of course take payment mainly in merchandise. The United States is a country which should export annually about \$500,000,-

000 more than it imports in order to pay for interest, and for the money drawn from the country by permanent absentees, tourists, emigrants to Canada, etc., and because it cannot afford to increase its debt to foreign countries, having already about 100,000,000 people and a scarcity in many raw materials. Canada is one of the new countries which is entitled to, and which must, during its period of rapid settlement, import more than it exports. The difference is met, however, by debt obligations which must some day be paid. The question, then, as to how much we should go into debt is the same which confronts the individual in trade, but the considerations are so large and so complicated that it is hard to know when we are wise and when unwise. What is certain, however, is that when a man is in debt he should live sparingly, not extravagantly, and that if, with the money he has borrowed, he has put himself in the way of making a product with which he hopes to pay his debt, he should strain every nerve to make and sell as much of that product as he can, in order to reduce his indebtedness to the lowest point possible. Now Canada is somewhat like a man who, having a rich inheritance in land, borrows to develop it, and, confident of its future value, spends freely for his present gratification, while he does not make effort enough to create the needed present revenue from his property."

Hetty Green's Millions

Edward H. R. Green, son of Mrs. Hetty Green, says plans are being formed to conduct the various enterprises in which the family is interested from headquarters in New York City, and that a trust company with a good-sized capital is to be formed and backed by the Green interests. The company will be organized under the laws of New York state. Mr. Green said:

"The establishment of this trust company will have no effect upon our present connections with New York bankers, but it will be the medium through which we will principally handle our business outside New York City; in fact, a center in the East here we will concentrate our Western and Southern interests. The suggestion was made that we absorb one of the old trust companies, but I favored starting with a clean slate, with no taint of somebody else's past, which course has been practically decided upon."

In taking over the management of the \$100,000,000 fortune of Mrs. Green, Col. Green becomes a prominent factor in the world of finance, with the rank of captain of industry. He is a jovial, shrewdminded bachelor of 44. Mrs. Hetty Green is 75 years old.

Frank T. Ransom, formerly vice-president of the Stockyards Bank of East St. Louis, has removed to Wichita, Kan., where he becomes president of the Union Stockyards National Bank of that city. Mr. Ransom began his banking career as messenger for a bank in St. Joseph, Mo., where he was born.

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ILLINOIS BANKING NEWS More Supervision

By C. C. Burford

O. B. Gorin, president of the Milliken National of Decatur and B. O. McReynolds, president of the National Bank of Decatur, are members of the committee to meet President Taft at Bement and conduct him into Decatur Saturday, February 11th. President Taft will speak at James Milliken University and then proceed to Springfield over the Illinois Traction System to attend the Lincoln Day Banquet. He will be the guest of Representative McKinley while traveling over the interurban lines.

One Banker Has Too Much Money

Richard Snell, president of the DeWitt County National of Clinton, is one of the few men who has admitted that he has more money than he needs. He secured \$700,000 from the estate of the late Colonel Snell after the will of the latter had been broken and then voluntarily relinquished half of the sum leaving himself \$340,000. He disposed of \$100,000 to Hannah Snell, widow of the brother of the deceased Colonel Snell and then gave \$250,000 to three other heirs, Lena, Harry and Thornton Snell, grandchildren of Colonel Snell. This division was made a number of weeks ago but it was only within the past fortnight that reporters for the Decatur Review "got wind" of the incident and wrote a capital article out of it. The Snell case has made a great line of newspaper "dope" for Central Illinois papers especially those of Bloomington and Decatur.

Counterfeiters in Rock Island

Three alleged counterfeiters have been arrested by the police of Rock Island. Their plan was to enter saloons at a late hour Saturday evening and to buy drinks passing over bogus half dollars and receiving the change. One of the trio had in his possession a mold made of plaster of Paris and he admitted that he had made twenty-nine pieces of bad money. The coins were made of babbitt metal.

The bad check epidemic is still hovering over Illinois. One of the latest towns to be victimized is Decatur where a laborer forged the name of his employer. As he was in the habit of receiving money on his employer's checks the merchants and saloon-keepers readily cashed some other checks which were forged. He made a successful get-away after cashing seven forged checks.

Yeggmen Continue Operations

The Swan Creek Bank, in a village of the same name near Galesburg, recently received a visit from yeggmen. The gang entered the town and cut all the telegraph and telephone wires except one private wire which they overlooked. Breaking into the bank they applied six charges of nitro-glycerine to the safe and it finally yielded. About \$2,500 worth of money and stamps were placed in a grip and the gang left the town in buggies, part of them going one direction and part another.

The next day a young man was arrested at the Burlington depot in Monmouth and was found to be carrying a satchel containing about \$2,500 in currency and stamps. The suspect was placed in the Monmouth jail but remained very indifferent to his surroundings. Cashier James Stice of the looted bank went to Monmouth and identified the money. A second suspect was also arrested. As the first man

had the stolen money in his grip the actual loss to the bank will be but little. The bank opened up in a day or so following the robbery and is now doing business as if nothing had happened. The Monmouth officers did good work in securing the burglars without serious loss to the bank. Bank burglar insurance was carried.

The private bank of Green & Company at Kane, near Jerseyville, was also looted recently. The postoffice at Franklin Grove, near Dixon, has also been "touched." Illinois is not so far behind Kansas after all.

Illinois Notes

Charles Macklin, who has been connected with the Peoria office of the Burroughs Adding Machine Company for several years, has been transferred to Detroit where he takes charge of the Detroit territory for the Burroughs people.

Vespasian Warner, president of the banking house of John Warner & Company of Clinton, will erect a new \$10,000 residence in Clinton this summer. Mr. Warner has served as congressman from the nineteenth Illinois district and later was commissioner of pensions.

The Ridgely National of Springfield will remove to its new quarters Monday, February 13th. The new home is on the southeast corner of Fifth and Monroe streets. All of the Springfield banks will close on that day and the Ridgely people will take advantage of the holiday to move.

A number of Springfield bankers will take part in the annual Lincoln Day banquet to be given Saturday evening, February 11th. The Farmers National and the Ridgely National will have tables for their officers and directors.

Now a State Bank

Frankfort, Ky., February 8.—Permission was granted to-day to the Grayson County National Bank to denationalize and incorporate as a state bank, so that this financial institution will be known in the future as the Grayson County State Bank.

Under the provisions of a bill reported favorably by the Kansas senate committee on banks and banking, the Kansas bank commissioner's duties are so enlarged that they will practically include supervision of investment companies offering stocks, bonds or other securities for sale within the state. The bill provides that every corporation, copartnership, company, association or individual, other than insurance companies, state and national banks and building and loan associations, which shall offer to sell any stocks, bonds or other securities other than government, state or municipal bonds and notes secured by mortgage on real estate, shall be subject to the supervision of the state bank commissioner. Before selling any bonds or securities not excepted in the bill, the corporation or individual must file with the Kansas bank commissioner a statement showing in full detail the plan on which it proposes to transact business, a copy of all contracts, bonds or other securities it intends to offer for sale, together with an itemized account of its actual financial conditions, the amount of its property and liabilities, copy of its articles of incorporation, constitution and by-laws and such other information touching it as the commissioner may require. This bill subjects such companies to the same kind of control as far as examination and reporting to the bank commissioner, that is now provided for state banks. An assistant bank commissioner is also provided for, who shall have charge of this class of business.

Ceres, Cal., Gets State Bank

The town of Ceres, Cal., is to have a state bank with capital of \$25,000. The bank will go into operation about April 1st. It is promoted by L. M. McDonald, president of the Bank of Livermore, and among other subscribers are: I. W. Hellman, Jr. of San Francisco, C. R. Tillson of Modesto, C. N. Whitmore, the Warner Bros. and others of Ceres.

Will Attend Texas Meetings

W. H. Hurley, assistant cashier of National Bank of the Republic, left last Monday for Texas to attend the various meetings of bankers. He will also make the trip one of social enjoyment among relatives and friends.

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Capital and Surplus, \$290,000.00

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(Incorporated)**

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STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000
 Surplus and profits (earned) 1,700,000
 Deposits over - - 22,500,000

OFFICERS

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 JOHN R. LINDGREN, Vice-President
 HENRY A. HAUGAN, Vice-President
 HENRY S. HENSCHEN, Cashier
 FRANK I. PACKARD, Asst. Cashier
 C. EDWARD CARLSON, Asst. Cashier
 SAMUEL E. KNECHT, Secretary
 WILLIAM C. MILLER, Asst. Secretary

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THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00
 Surplus and Profits 1,430,000.00
 ORGANIZED JANUARY 17, 1807
 Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President
 Henry B. Bartow, Cashier John Mason, Transfer Officer
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 PRESENT NUMBER OF STOCKHOLDERS 930



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With Resources of **TWENTY-ONE MILLION DOLLARS**

And every facility for the satisfactory handling of Bank Accounts
CORRESPONDENCE INVITED



Money, Banking and Finance from Chicago Viewpoint

Bankers have been quick to detect signs of improving business. A great deal of capital is being absorbed in one way and another these days and bank rates have a tendency toward firmness.

The railway corporations are inquiring for funds on the present easy-money basis and will require a vast amount in the aggregate. For the present the bulk of the idle money in the hands of local capitalists is going into bonds.

As a result of it all the money market is more active than it was for a couple of months. While quotations are unchanged there is little money going over the counters at less than 5 per cent and much of it brings 5½.

The months of January and February, 1911, will be memorable in financial history owing to the extensive purchasing of investment securities. Speculative stocks and commodities have had a less prosperous season. After several months of extreme dullness in the summer and fall the bond market became active. The winter season has witnessed the best trade known for five years in this line of securities.

On a Five Per Cent Level

Bonds are on a five per cent level in the Chicago market. People are buying critically and still are not disposed to invest extensively in any securities which return less than five per cent. There has been some exceedingly attractive propositions around this figure, one example being Chicago railway bonds. These bonds bear five per cent and were sold to the public at 98. Chicago houses disposed of \$15,000,000 of them in a few weeks, the Harris Company and Northern Trust handling the major part.

It is becoming clearer every day that the railroads will absorb a lot of idle capital this spring. Judge Lovett, speaking for the Harriman system outlines a most ambitious program for the double tracking of the Union Pacific from Omaha clear to the coast and for

the construction of extensions and tributary lines which, extending over a period of six years, will call for expenditures of perhaps as much as \$150,000,000.

Hill must Keep the Pace

The Hill lines are rivals of the Harriman roads and Mr. Hill may be depended on to keep the pace set by his opponent. He can have capital at his own price and probably will be allowed to raise his freight rates besides. This ought to restore his optimism and to prove that it is having such an effect the announcement comes of a proposed consolidation and extension of Hill tributaries in Oregon and Washington under the so-called "North Bank" road, which is the skirmish line thrown out to meet the Harriman invasion, and which has already cost the Northern Pacific and Great Northern little, if anything, under \$80,000,000. It is hardly surprising that these announcements have thrown Wall Street into a fever of optimism, which will probably run its course as did the extreme pessimism two months ago. Northern Pacific offers itself as a thermometer by which to gauge the extent of the fever at the moment; its high quotation last week was 128¾, and again, as in its fall, the rest of the market moved with it.

Registration of Paper

As Chicago bankers have had a certain leadership in developing ideas for the registration of commercial paper there is more than ordinary interest in the proposal of the International Paper Company to have its own bankable documents registered. This corporation while one of the soundest in the world is obliged in the nature of things to borrow a great deal of money owing to the fact that its enormous business is carried on through a large number of subsidiary companies, all of which have had the power to conduct their own financial affairs.

The International purposes in future to do such financing as may be necessary for itself and its subsidiary companies through the issue of its own paper rather than through the paper of its subsidiary companies. The company has effected an arrangement for the registration of its obligations in respect to both classes of such paper, and for the purpose of such registration it has appointed the Bankers Trust Company registrar.

The International Paper Company has given notice that all paper issued on and after Feb. 1, 1911, bearing its signature, either as maker, indorser, or acceptor will not be complete and binding on the company unless such obligation has been registered by the Bankers Trust Company.

Currency Association Strength

The capital and surplus of the currency associations thus far formed amount to approximately \$480,000,000 and assuming that the banks in these associations have in circulation notes secured by United States bonds to an amount equaling only the required 40 per cent of capital, there would remain as a measure of additional circulation on other securities the difference between the combined capital and surplus and the United States bond-secured circulation, or approximately \$380,000,000.

The combined capital and surplus of all national banks June 30th last was \$1,634,400,000 and the circulation secured by United States bonds \$685,517,000, or nearly 70 per cent of the capital stock. Nearly 80 per cent of the national banks have United States bond-secured circulation equal to or in excess of 40 per cent of their capital, and up to this date no bank circulation has been issued except upon the security of United States bonds. The department and the currency associations are prepared to meet the demand for additional circulation should the occasion arise.

WILLIAM J. BURNS, President
Formerly U. S. Secret Service
Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over **\$40,000,000.00**



The Hanchett Bond Company

Although the Hanchett Bond Company as a corporation is new to Middle West investors, the principals concerned are well known. Lucius A. Trowbridge is president of the company and has been selling bonds in this field for more than eighteen years. William F. Hanchett is the vice-president and Harold G. Hanchett, secretary. The offices are at 171 La Salle Street, Chicago. This company has issued a booklet giving a few reasons why farm drainage bonds are so highly regarded by investors. It is pointed out that drainage bonds are of right classed along with municipal bonds and that they are based upon taxes levied upon real estate and are collectible by the same process as other taxes.

The Hanchett Company is offering three issues of Illinois drainage bonds, one located in Bureau and Whiteside counties; one located in Saline county, and one in Lawrence and Crawford counties. These are not large issues, but they are probably among the best offered to buyers in this city and have been priced to yield about five per cent per annum. These bonds are subject to registration by the state auditor, which is a very important feature. The state, in the large sense, becomes sponsor for the bonds. The manner of levying and collecting the taxes is such that drainage taxes are levied upon each piece of property in the district. The state law provides that "all laws of this state relating to state revenue shall apply thereto." Under this act the drainage taxes are levied by the state auditor and collected with the state taxes. The state treasurer remits for maturing bonds and coupons.

Mr. Trowbridge and his associates have negotiated the sale of millions of dollars in similar securities and there never has been any loss of principal or interest; no delay except in a single instance and that for a short time only. This firm points out that low lands are the best of lands and that they become the most fertile and productive when properly redeemed by drainage. These low lands have been subject to deposits of alluvial soils and to the accumu-

lation of leaf mold for centuries. Illinois was one of the very first of the states to provide an efficient and beneficial farm drainage act. Under its operation thousands of acres of swamps, sloughs, and bottoms have been put under cultivation. This law has added millions upon millions to the wealth of the state and has been taken as a standard by neighboring states. The laws of Indiana, Iowa, Nebraska, Missouri, Wisconsin, Oklahoma, Arkansas, and Mississippi are based almost solely upon the principles of the Illinois law. The Hanchett Bond Company are prepared to cite over fifty districts in which they have been interested in financing, all of which have been successful. No higher recommendation could be furnished than this almost twenty years of successful operation.

Another Kansas Bank Robbery

Elk Falls, Kan., February 8.—Five robbers blew open the safe in the State Bank of Elk Falls obtaining \$2,700 and escaped in an automobile.

If you want to buy, sell or absorb a bank

or insurance company, send for me. I will make preliminary negotiations secretly and diplomatically. Everything confidential in my office. All negotiations conducted personally. Nothing intrusted to the mail.

E. A. GRANT

901 Garfield Building, CLEVELAND, OHIO

"The Trail of a Tenderfoot"

The Outing Publishing Company of New York is issuing an excellent new book in "The Trail of a Tenderfoot" by Stephen Chalmers. It is made up of six short stories, all of them highly interesting and full of humorous adventure. As the tenderfoot always has provoked a great deal of mirth, and nowhere so much as among those who have themselves lived through that stage and are therefore all the more ready to enjoy the former's discomfiture, the author has seen and taken the opening for many a splendid yarn in dialect by some native meant to "string" the newcomer whose credulousness gives spice to the telling. However, our tenderfeet who are city men on their vacations and ready for an excitingly good time, are not cowards and quite frequently surprise the natives with their unlooked for precocity in sports so new to them, and in the success of new appliances which the natives regard with withering scorn. The diversions sought are various, some going hunting for deer, others fishing, while we have one group of four men living as savages and roughing it down in Rio Bueno, West Indies. They have some startling adventures and the reader is carried along, in some instances the amused spectator of situations which are entirely serious to the participants. Each story is told in true narrative style, with plenty of dash and snap, while the creatures, both big and little, figure as helpless victims to the superior human beings. The field of nature sports is so well covered, the vacationists return to work feeling so well repaid for their "bully trip" (as one expresses it), and the author takes such evident delight in telling each story, that the book is well worth the reading. It contains some excellent illustrations by H. T. Dunn, C. F. Peters, and J. M. Gleeson. Price, \$1.25 net.

It is provided by a Kansas senate bill that state banks may have savings bank departments, the savings deposits to be invested entirely in farm mortgages and to be used only for paying savings depositors.



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 100,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
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Frederick Kasten
Charles Schriber
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Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Milwaukee bank clearings for the past week show a healthy increase in the volume of business transacted and are running something in excess of the clearings of the same period, one year ago. Cash at the various banks in this city is reported easy, with the demand for loans considerably under what it was only a few weeks ago.

Collections are generally reported as fair and commercial paper is being taken up fairly well at maturity. The larger manufacturing interests in and around Milwaukee claim that while business is hardly up to the mark established a year ago, yet the indications point to a fairly good spring. The iron and steel industries show a considerably better tone during the past two or three weeks than has existed for several months and most of the large plants are running full time.

Bond salesmen who have been out through the state during the past week or ten days, report good inquiries for the better grade of bonds.

Local sales are also well up to the mark and Milwaukee bond houses appear to have little difficulty in disposing of their purchases, particularly in the higher grade securities.

January Clearings Establish Record

Bank clearings in Milwaukee in January amounted to \$60,755,628.42. This is a new record for the first month of the year, and is regarded as an excellent showing. Clearings for January in 1910 were only \$53,724,821.15, mak-

ing an increase of \$7,030,807.27 for the first month of 1911.

Clearings for January were within \$344,084.11 of the record established in December, 1910 which was the highest total for any month during that year. Balances at the clearing house for January are reported at \$7,658,258.26. This is a gain of \$1,521,220.00 over the balances of January, 1910, and is larger than the balances of any month in 1910.

The huge increase in bank clearings and balances is regarded by bankers as nothing extraordinary considering the rapid and steady growth of Milwaukee and the entire state. During January there were some unusually large real estate deals and it is possible that this may have had some bearing on the amount of clearings for the month. Another possible explanation is the fact that the taxes came in during January in larger amounts than usual.

Wisconsin Bank Guaranty Law

Wisconsin bankers have at last awoke to the fact that if they would prevent the adoption of a bank guaranty law, that strenuous measures are necessary and prominent bankers from all parts of the state, assembled at Madison Tuesday and Wednesday of this week to attend the joint hearing upon the bill introduced by Senator Owen providing for the guaranty of bank deposits. Senator Owen realizes that he has a hard fight before him in the passage of the bill which he introduced in the senate on

February 3d. He insists however, that he will win out in the end.

The bill provides that every bank doing business in the state on the second Monday of January, 1912, shall credit on its books to the depositors' insurance fund an amount equivalent to one per cent of its average daily deposit as shown by its last preceding report made to the state commissioner of banking, and that every year thereafter it shall credit to this fund one-tenth of one per cent of such deposit until the fund shall contain a sum equal to two per cent of the total deposit.

It is expected that the fund will amount to \$1,262,000.00 after the one per cent of these deposits is credited to it, and that it will take about ten years before the fund reaches the two per cent limit fixed for the bill. The fund is to be used to pay the claims of depositors against insolvent banks, and is to be in the control of the state commissioner of banking. It also provides that depositors receiving more than three per cent interest on their deposits shall not participate in the benefit of the fund.

The bill further provides that the state commissioner of banking shall on the first day of July, next, make a thorough and exhaustive investigation of every bank in the state in order to determine whether it is solvent and entitled to participate in the benefit of the bill; empowers the state banking commissioner to withhold charters from banks which in his opinion are not fit to go into this proposed law, and provides that the deposits in an insolvent bank



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wis.

ESTABLISHED 1847

Capital \$500,000 Surplus and Profits \$500,000

**Oldest Bank in the Northwest
Conservative Progressive**

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	F. A. KIRCHHOFF, Asst. Cashier
H. J. PAINE, Asst. Cashier	G. A. RUESS, Mgr. South Side Branch
F. X. BODDEN, Mgr. Bond Department	J. H. TWEEDY, Jr.
S. H. MARSHALL	GUSTAV REUSS
R. N. McMYNN	C. C. YAWKEY

which do not bear interest to the extent of three per cent per annum shall, after the closing of such bank and up to the time the claims are paid, bear interest at the rate of five per cent until the full amount of the claim is liquidated. It describes in detail how the bank commissioner shall take charge of the insolvent banks, pay off the depositors and wind up the affairs of the institution.

Banker Discusses Guaranty Act

In the current number of the Wisconsin Banker James K. Ilsley, President of the Marshall & Ilsley Bank, and chairman of the special committee on banking appointed by the last legislature says in part, regarding the guaranty law:

"The best banks to-day in Oklahoma, are the national banks and the people give evidence of such belief, by patronizing them more largely than they do the state banks. Recent information from Oklahoma gives total deposits in two hundred and twenty national banks \$58,000,000.00; total deposits in six hundred eighty state banks \$47,000,000.00. This makes an average of \$263,636.00 deposits in each national bank of the state and only \$69,117.00 in each state bank. This is rather strange, if the guaranty law is regarded as such a safeguard to depositors. The figures indicate that there are many more state banks than are needed legitimately to take care of the business interests of the state, and that competition and strife for patronage will be sure to encourage reckless and unsafe methods.

"In the face of such facts it is hardly conceivable that the present legislature will ignore the recommendations made by the special committee, or that they will inflict upon Wisconsin such a doubtful experiment as is now being tried out in Oklahoma.

"Let the legislature by all means, give greater power to the state banking department and provide for more frequent and more thorough examinations, and by these means prevent, if possible, such failures as the First National Bank of Mineral Point. But in the attempt to provide for such sporadic and infrequent breakdowns, do not let them provide a remedy that would sooner or later weaken the entire banking system and inevitably lead to results that would be many times more disastrous than the failure of any single institution."

More Bills Affecting Banks

Among the bills introduced in the senate

during the last week, affecting banks in one providing for the segregation of the savings deposits of state banks from the commercial deposits, with the savings deposits invested solely for savings depositors. In time of financial trouble, such deposits would have a first lien on these assets.

Another bank bill provides that mutual savings banks cannot loan on personal security. Another bill requires directors of banks to meet once a month and go over the assets, thus obviating the evils of a one-man bank.

Still another bill is aimed at chain banking to prevent the all too prevalent custom of buying one bank and depositing its stock as security for buying a second bank and so on ad infinitum; while still another bill provides that all real estate loans shall be made in Wisconsin or adjoining states.

Bankers Concerned in This Bill

The proposed income tax bill is creating not a little interest among bankers in this state and while it may not be the intention of the father of this bill to mislead the public in making it believe that it is acting as a substitute for the present method of assessing personal property, yet this is the general understanding.

Under the proposed bill, all persons, partnerships, corporations and associations having an income in excess of \$500.00 per year, are covered. Banks alone are excepted from this bill. Of the taxes collected under this bill, 85 per cent is to be returned to the town, city or village in which the tax was assessed; 12½ per cent goes to the county and 2½ per cent to the state. The bill provides for the supervision of the state tax commission and the appointment by them of county assessors who will replace the present county supervisor of assessments.

For a Municipal Savings Bank

A municipal savings bank for the city of Milwaukee is desired by the Social Democrats and the initial steps toward such a bank have been taken by the introduction of a bill by Assemblyman Berner. The bill provides for a savings department in the office of the city treasurer and that deposits shall be received in this savings bank of not less than \$5.00 nor more than \$1,000.00. City bonds are to be deposited with the state to protect such deposits and interest is to be allowed on them at the rate of 3 per cent per annum. Deposits thus made are to be under the supervision of the commissioner of banking and the department

thus created will make reports to the state banking department and will be subject to his examination the same as any savings bank.

Banker Joins Mercantile Firm

Fred A. Kirchhoff, assistant cashier of the Marshall & Ilsley Bank, severed his connection with the bank, February 4th. He will enter the firm of Hugo E. Bauch Company, Third and North Avenue, to take part in the management. Mr. Kirchhoff's successor at the bank has not yet been selected.

Mr. Kirchhoff entered the employ of the bank on May 1, 1902, as a clerk. In July, 1909, he was elected assistant cashier. "We are very sorry to lose the services of Mr. Kirchhoff," said one of the officers of the bank, "but we feel that he is bettering himself by accepting his new position. We are always glad to have a man leave us with the same spirit that marked the leaving of Mr. Kirchhoff, as it always assures us an additional friend on the outside."

Officers and employees of the bank presented the retiring assistant cashier with a silver tea and coffee service. Mr. Kirchhoff's engagement to Miss Irma Bauch was announced last week.

Change in Convention Date

In last week's issue of THE CHICAGO BANKER I gave the date of the Seventeenth Annual Convention of the Wisconsin Bankers Association, which will be held in Milwaukee, as July 19th and 20th. This date has since been advanced to July 12th and 13th. The committee on arrangements will endeavor to make the meeting a memorable one and the many out-door attractions and social features will appeal equally as strong to visitors as will the convention features proper, which will embrace one of the best programs ever arranged by the State Bankers Association.

Nassau Becomes a National

The change in the scope of the Nassau Bank of New York by conversion into a national institution will go into effect this month. The application has been approved at Washington. The bank was established in 1852, and is one of the oldest members of the clearing house. Edward Earl is president.

Treasurer Lockwood in Town

F. M. Lockwood, treasurer of Illinois Bankers Association, was among Secretary Crampton's visitors Tuesday.

We solicit accounts of banks and bankers and offer them our complete facilities for the handling of their out-of-town items



Capital
\$2,000,000
—
Surplus
\$2,000,000
—
Deposits
\$33,000,000

C. H. HUTTIG, President

W. B. WELLS, Vice-Pres. G. W. GALBREATH, Cash.
J. R. COOKE, Asst. Cash. D'A. P. COOKE, Asst. Cash.
R. S. HAWES, Asst. Cash. H. HAILL, Asst. Cash.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

Pittsburgh

Robert J. Stoney, Jr., vice-president of the Anchor National, and prominent in banking and brokerage circles, died at his home in Pittsburgh, on January 29th, aged 61.

In the local market Crucible Steel preferred was perhaps the strongest of the stocks last week, advancing to 85½, the highest since the announcement of the script dividend last year. At this high mark the price was seven points above the lower mark in the early part of the year and 14 points above the low mark of last year made in July. Independent Brewing preferred made a new high mark at 23 and both issues of the Monongahela River Coal Company sold at the best marks of the year.

James A. Huston, general manager of sales of the American Bridge Company and long considered the most expert man in the bridge and structural division of the Steel Corporation, has resigned. R. W. Bailey of Philadelphia, now chief sales agent in the Philadelphia district, succeeds him.

In point of orders entered on mill books, the iron and steel market in this territory made a better showing in January than in any single month during the second half of 1910, reports of one or two steel companies showing the total tonnage entered during the initial month of the year to have been more than double that of either November or December.

Sidney S. Liggett, who for years has been the Pittsburgh representative of the New York banking and brokerage firm of Redmond & Company, has assumed charge of the bond department of the Union Trust Company. Among the successful flotations of the latter last month were the \$7,500,000 bonds of the Pittsburgh Crucible Steel Company and the \$5,000,000 bonds purchased from the Winston-Salem Southbound Railway Company of North Carolina.

A special meeting of the stockholders of the Colonial Trust Company, Pittsburgh, is called for March 16th to vote on the question of decreasing the capital stock from \$4,000,000 to \$2,600,000.

State Banking Commissioner William H. Smith's recommendation that building and loan associations be required to pay the costs of examinations the same as banks and trust companies found expression in a bill presented to the legislature.

Chairman Gary Makes Denial

Chairman Gary of the United States Steel Corporation denied the story from Pittsburgh quoting a former high official of the United States Steel Corporation as saying that the management plans to retire within a year the outstanding \$360,000,000 of the 7 per cent preferred stock. According to the statement the preferred was to be retired around 1913.

Growing West Virginia Bank

Empire National Bank of Clarksburg, W. Va., is one of the successful and growing institutions of that state. This bank was organized in 1903 with a capital of \$250,000 and has paid six per cent dividends from the first. Its surplus and profits, which have accrued in seven years amount to \$110,000. Deposits now foot up \$1,300,000 and total resources \$2,000,000. The officers and directors are men of forceful character and large means, who take great pride in the progress of their bank which is conducted on a broad-minded, liberal policy.

The active men in the affairs of the Empire National Bank are V. L. Highland, president; S. S. Faris, P. C. Williams, vice-presidents; E. B. Deison, cashier and James N. Hess, assistant cashier. These gentlemen by courtesy, promptness and thoroughness have given their bank a foremost place in the business of Clarksburg and high standing throughout the state of West Virginia.

Says West is Flourishing

Howard H. Hitchcock, vice-president of First National, returned Monday from a short vacation trip through California. "Everything looks prosperous in the regions I saw in California," said Mr. Hitchcock. "They are expecting the largest orange crop this year the state ever raised. Los Angeles is particularly active. It has developed wonderfully in the last few years."

Bank Change at Spokane

Thomas H. Brewer, for some time a vice-president with the Exchange National, Spokane, has resigned his position. This is the bank of which the energetic Edwin J. Coman is president and C. E. McBroom cashier.

According to reports in Des Moines, the State Saving at Jamaica is to be taken over by the Citizens of the same place.

Philadelphia

Wm. A. Law, vice-president of First National and president of the Pennsylvania State Bankers Association, will address the members of Group Two, Pennsylvania bankers, at their annual meeting to be held in this city February 13th. B. M. Marlin, of Du Bois, Pa., will speak on "The First and Only Postal Savings Bank in Our State."

The annual statement of the Philadelphia Saving Fund Society, contains a table of deposits on the first day of January for the last 30 years. During this period, which covers three severe panics, those of 1883, 1893 and 1907, with their subsequent periods of lean business, the total balance due depositors at the opening of the year has never failed to show an increase. On only one occasion, January 1, 1909, was a decrease in the number of depositors shown over the previous year. The number of depositors on that date showed a falling off of 4,516, but total deposits increased more than \$1,000,000, compared with January 1, 1908. The Saving Fund Society for the first time in its history has passed the \$100,000,000 mark in its deposits.

Sales of stocks on the Philadelphia Stock Exchange for the month of January totaled 807,408 shares, as compared with 998,221 shares in January, 1910, and 724,622 shares in January, 1909. Bond sales here last month amounted to \$2,189,524, as against \$1,595,197 in January, 1910, and \$1,405,569 in January, 1909. Bond transactions made up the largest total for any January in some years.

Collections from holiday trade are satisfactory. The leather market shows a further decline, purchasing being for immediate needs only. Hides and skins, including goat skins, show a decline. The shoe trade is fairly active with demand improved, prices unchanged and collections fair. Staple groceries are in moderate demand. Tobacco shipments for January have exceeded expectations.

At its last meeting Philadelphia Chapter of the A. I. B. heard two able addresses: Harry M. Albertson, lawyer, talked of the method of accounting as applied to the Adjudication of Estates in the Orphans' Court. The discourse was interesting and instructive, especially to trust company men. Talcott Williams, associate editor of the Philadelphia Press, was the second speaker. His theme was "The Rising Tide of Business Integrity."

THE LIBERTY NATIONAL BANK OF NEW YORK

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President

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Vice-President

ZOHETH S. FREEMAN
Vice-President

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CAPITAL, SURPLUS AND UNDIVIDED PROFITS
\$3,700,000.00

Fort Dearborn National Bank Chicago, Illinois



Capital - - \$1,500,000

Surplus and Profits 400,000

Deposits - - 17,000,000

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We particularly desire the accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and we wish to serve you

Bankers Get Prison Sentence

Philadelphia, Pa., February 8.—Pleading guilty to charges of wrecking the American Trust Company of this city, Dr. J. Kanier Crawford and Joseph S. Crawford, brothers, and vice-president and secretary-treasurer respectively of the institution, were each sentenced to three years in the county prison and fined \$500 in quarter sessions court.

The term of imprisonment is dated from May 25th last, when the Crawfords were committed to jail in default of \$10,000 bonds.

The American Trust Company was closed by State Bank Examiner Tabor in November, 1909, when an examination of the books gave evidence of the concern's unhealthy condition. A further examination of the trust company's books showed alleged gross manipulations and fictitious and worthless loans amounting to \$338,000.

J. P. Fitch

J. P. Fitch, assistant cashier of the Old National, Oshkosh, Wisconsin, visited Chicago Saturday and took a look at the automobile show. Mr. Fitch takes a lively interest in the work of the Wisconsin Bankers Association and the Wisconsin group meetings.

Interest on Open Accounts

By the terms of a bill introduced in the Illinois legislature by Representative Gilbert creditors shall be allowed to receive at the rate of 5 per cent per annum for all moneys after they become due on any bond, bill, promissory note or other instrument in writing; on money lent or advanced for the use of another; on money due on the settlement of account from the day of liquidating accounts between the parties and ascertaining the balance; on money due on open account after payment thereof has been demanded; on money received to the use of another and retained without the owner's knowledge; and on money withheld by an unreasonable and vexatious delay of payment.

Savings Bank Increases Capital

The Chattanooga Savings Bank has amended its charter and will increase the present stock from \$100,000 to \$300,000 by a 100 per cent stock dividend and the sale of the balance of new stock.

McKinley Grows

The Illinois Traction System, or the McKinley syndicate as it is otherwise called, has entered the Kansas City field. The Strang electric railway connecting Kansas City with Olathe, Kansas, has been purchased by the McKinley people and the Strang Company will extend the line on to Lawrence and Topeka for the purchasers. As the Illinois Traction System now owns the street railway lines in Topeka and has negotiated for the purchase of the lines in Lawrence it is evident that a good start has been made in the Kansas City territory.

A. F. Hunt, vice-president of the Strang Company says of the sale of the line to the McKinley people:

"We will see some remarkable developments in the interurban situation this spring. Kansas City is the logical center of a great interurban system and the field is absolutely undeveloped. McKinley's Illinois lines have showed him the possibilities and he is eager to enter the field."

For two years the Illinois Traction System, headed by Representative McKinley, has been making preparations to enter the Missouri valley and to join all of the larger cities of Kansas and Missouri. And Mr. Hunt continues, "All that is needed is a starter to make Kansas City the center of a system of trolley lines like that which connects Indianapolis with the towns of Indiana." The syndicate has already purchased an interest in the electric light plant at Atchison and there are plans to build a bridge across the Missouri river at that point. The completion of the McKinley bridge at St. Louis shows what can be done by the Illinois Traction Company. Mr. McKinley has already spent thousands of dollars in perfecting the plans for the western extension of his interurban system. A line from St. Louis to Kansas City and one from Atchison to St. Joseph are among the present plans.

Damage Suit against the Pinkertons

Montreal, Can., February 6.—Both the Standard and the Montreal Herald recently have contained full reports of suits entered against the Pinkertons, William A. and Alan, and against several of their managers by David Russell of this city. One suit is to recover \$2,000 in fees paid to the agency, the claim being that the reports made to Mr. Russell were untrue and intended to deceive. The second suit is for \$200,000 damages for circulating false stories about the plaintiff to his great injury. Mr. Russell employed the W. J. Burns National Detective Agency to collect for him the evidence used in his suit against the Pinkertons.

May Enter Philadelphia Field

S. B. Chapin of S. B. Chapin & Co., of this city and New York, has purchased a membership on the Philadelphia stock exchange.

Against Slander

The Missouri house of representatives last week passed the bill of Representative Gossett, of Kansas City, making it a misdemeanor to slander a solvent bank. The bill specifies that this misdemeanor shall consist in "making, uttering, circulating or transmitting to another or others any statement, untrue in fact, derogatory to the financial condition of banks and other financial institutions with intent to injure," the institutions.

On the day the Gossett bill passed the house a bill was introduced providing that the publication of false or exaggerated reports of the condition of any financial institution will be a felony. This bill aims at fake mining, land and "get-rich-quick" schemes engaged in the effort to entice the elusive dollar from the reluctant Missourian's pocket. There is no way of reaching such concerns at present except through charges of using the mails to defraud.

South Dakota Convention June 7 and 8

H. R. Dennis, president of the Sioux Falls Savings Bank, sends word that at the meeting of the executive council of the South Dakota Bankers Association the dates for the South Dakota convention, to be held at Sioux Falls, were fixed as June 7th and 8th, 1911.

THE HANCHETT BOND CO., Inc.	
L. A. TROWBRIDGE, President	WM. F. HANCHETT, Vice-President
CITY SCHOOL COUNTY DRAINAGE BONDS	
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Editorial Comment

Separation of Banking Functions

One of the foremost of the able trust company men of the west is Oliver C. Fuller, head of the Wisconsin Trust Company of Milwaukee. Mr. Fuller has served in various official capacities the trust company section of the A. B. A. and now is its president. The question of separation of trust company from commercial banking business is with Mr. Fuller a serious question. It is being agitated in some of the states at the present time and has had official attention in meetings of the section. Replying to an inquiry from an Eastern paper Mr. Fuller goes clearly on record in the following explicit paragraph:

Specialization and segregation are the order of the day in all lines of business, and there is a tendency notable, particularly in the Middle West, to separate the trust company business more than heretofore from the business of commercial banking. In Chicago, for instance, almost every large national bank has affiliated with it, if not actually owned and controlled, a trust company to which is turned over or referred all business offered to or controlled by the bank that comes within the scope of trust company business. This includes not only the mortgaging and trusteeing of property, receiverships, escrows and the like, but also savings and time deposits. On the other hand, the trust companies so controlled or connected are in many instances declining to receive commercial deposits and to handle commercial paper, and are directing that character of business to the banks. This, I believe, is a distinct tendency of the times, and I furthermore am of the firm opinion that it will become more and more the custom until the time shall arrive when the public will understand as clearly what we mean when we speak of a trust company as they now know what we mean when we speak of a bank.

Banks in Chicago for years transacted a large amount of business for their patrons and for the public for which no charge could be made. They also refused much lucrative employment because they were neither equipped nor qualified by law to accept. Trust companies with strong banking support have been money makers from the start. A few years ago the nationals in Chicago nearly all took out charters, partly to protect the good will of their own charter title. Many of them like the Fort Dearborn and the National Bank of The Republic have been waiting upon opportunity or a larger banking room.

Trust company bankers will oppose any new national currency legislation giving their peculiar powers to nationals. The onlooker would regard this as unfair. On the other hand it may be expected that the states will work toward a law compelling the trust companies, as was done in New York to do banking if at all under regular banking restrictions applied to state banks.

Mr. Fuller hopes for uniformity of laws in the states governing trust companies and everyone, except the lawyers, will agree with him. The trust company section has been do-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

ing hard work toward this end. Trust company business and trust company banking growth are among the marvels of the business and financial world. Mr. Fuller expects them to continue to grow in usefulness as well as in size.

Farnsworth States the Case

Colonel Frederick E. Farnsworth, secretary of the American Bankers Association, has performed an important national service in connection with the Aldrich currency plan. He has described in a few comprehensive sentences the defects of the obsolete monetary system by which the nation's business is hampered and makes it clear that the Aldrich proposal would be an advantage to the country.

Lack of currency in crop-moving periods, restrictions and stringency in seasons when an elastic currency should be moving most freely and the recurrence of panics, either through fear or improper manipulation of the money market, prove the inadequacy of our financial system. All men agree that these are the principal monetary defects but when it comes to consideration of the remedy it will be hard to reach an agreement.

The emergency law is only a temporary expedient. While it has the possibility of great usefulness it may be found lacking in the principles of unity when put to the test. There is no doubt about the scope and the national character of the proposed reserve association, which embraces the best features of all foreign money systems while excluding those which seem to be objectionable.

Colonel Farnsworth does not speak as a representative of the National Bankers Association, but rather as an individual whose close connection with banking interests fits him to discuss the country's financial needs. His presentation of the case will go far to convince public men that the Aldrich plan is worthy a trial.

Norton may Go to New York

It is rumored that Charles D. Norton, now secretary to President Taft, but who has sent in his resignation, will go to New York as an official of one of the large banks. Both the First National and National Bank of Commerce are mentioned.

Clash Over Reciprocity

A reciprocity treaty between this country and Canada, to which both governments are committed, has started a many-sided row. The National Grange, an organization representing a million farmers, is making a vigorous protest against the reciprocity measure now before congress.

The legislative committee of the grange in calling on all farmers to exert their influence with members of congress for the defeat of the bill sets forth these objections:

"While putting farm products on the free list the reciprocity bill makes no material reduction in the high tariff rates on all the manufactured articles the farmer buys, and therefore gives no relief from the heavy burden of taxation imposed by these duties.

"The enactment of the Canadian reciprocity bill would discriminate against farmers by abolishing the comparatively slight protection now given them while leaving the high protective duties on manufactures practically untouched.

"The Canadian farmers, by reason of their lower general tariff and their preferential trade arrangements, can buy manufactured goods at lower prices than those prevailing in this country. The prices of farm lands in Canada are much lower than in the United States. These conditions give the Canadian farmers an advantage over us and the free admission of their products would submit us to unfair competition."

A strong element in Canada believes that the reciprocity plan presented means the financial and political ruin of that country, with ultimate annexation to the United States. The Unionist party in England is similarly exercised. The influential newspapers are calling on the Imperialists of Canada to defeat the measure.

The chaotic state of public opinion is seen in connection with the sale of reapers and mowers, which many Canadian farmers wish to have on the free list, while manufacturers there desire a tariff. Agricultural implements are reduced by Canada to the United States rates, and this is construed as meaning that greatly increased numbers of farm implements manufactured on this side will be exported to Canada.

Barbed wire fencing, which now goes into Canada free of duty, may henceforth come into the United States free of duty.

Printing paper is to become free on the removal of all restrictions on exports of pulp wood.

Both countries are to greatly reduce, and to the same level, the rates of duty on fresh and canned meats, bacon and hams, lard, canned vegetables, flour, cereal preparations and other foodstuffs partly manufactured, looking toward a wider interchange of these commodities.

Service

¶ A particular phase of our service is the fact that we have each Department under the direct supervision of an officer. We believe in specialization for the best results.

Collection Department

- ¶ This Department, under the supervision of an officer, consists of a manager, five clerks and fifteen messengers.
- ¶ Having the largest list of correspondents of any bank in the Northwest, gives us exceptional facilities.
- ¶ Special attention given to Minneapolis grain drafts received from correspondents. These are collected and checks given in payment are put through the Clearing House the same day items are received.
- ¶ All matters entrusted to our care are handled as directly and expeditiously as possible.

THE NORTHWESTERN NATIONAL BANK

The Bank of Security and Service.

Capital and Surplus - \$5,000,000

THE MINNESOTA LOAN & TRUST CO.
Capital and Surplus \$1,150,000, is affiliated with this bank.

Our list of High Grade Bonds for investment
will be forwarded upon application.

Convention Dates 1911

- VERMONT—Brandon, February 22; Secretary, Fred C. Spencer, Rutland.
- SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.
- TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.
- MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.
- KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.
- MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.
- NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.
- WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

Liberal Bankers

Bankers were heavy contributors to the fine arts building fund which was raised in Minneapolis in ninety minutes, at a dinner where three Chicago art men, including C. L. Hutchinson, talked. W. H. Dunwoody, president of Northwestern National, started the fund with \$100,000, and other bankers have followed suit, adding their quota daily. John De Laittre of Farmers & Mechanics Savings, added \$10,000 to the Dunwoody gift, Judge Koon of the Northwestern, \$10,000, and so on down the line. "It was the best thing I ever attended," said Joseph Chapman, Jr., "I certainly have never heard of anything like it." The first amount raised was \$350,000.

Works Unique Swindle

Charles H. Everett, alias Roy Hespe, J. O. Ross, G. M. Reynolds and a few more false names, was caught in Hot Springs, Ark., during the past week. He is accused of swindling a bank in Seattle out of \$1,821, and various banks in the West out of about \$20,000. The Seattle case is typical of his scheme. This he worked as follows.

Everett appeared in Seattle late last summer and retained a Seattle lawyer to collect an overdue note for \$2,300 drawn by a man in Alaska. Everett told the lawyer to demand payment, and if refused, to bring suit.

Everett, it is charged, went to Alaska on the same boat with the letter, got the letter from the postoffice, and wrote to the lawyer, inclosing a check for the amount demanded. Everett returned to Seattle, the lawyer notified him of the collection and identified Everett at the bank, and the bank paid the money. That was the last seen of Everett.

Bank Transfer

The Oklahoma City National Bank of Oklahoma City, one of the oldest financial institutions in the state, has changed hands. The new men represented in its management are H. W. Williams, of Greenville, Tex., Don Lacy and M. M. Bonner of Ardmore, Okla. Mr. Williams will be president of the reorganized bank; Mr. Lacy cashier and Mr. Bonner assistant cashier. The capital stock will be increased from \$100,000 to \$500,000 which will make it the biggest financial institution in the state.

Maintain Bond Commission

A majority of the members of Philadelphia Stock Exchange have voted against reducing bond commission from $\frac{1}{4}$ to $\frac{1}{8}$ per cent.

New Guaranty Bill

Madison, Wis., February 8.—Despite the known opposition of many of the leading bankers of the state, there evidently is a determination to pass a guaranty of deposits bill by the present legislature. A bill with many unusual features which will be recognized at once by bankers, has been introduced by Senator Owen of Maiden Rock. The bill has been agreed upon, so it is claimed, by the majority members of the legislature. It provides that on the second Monday of next January all the state banks shall set aside an amount equal to 1 per cent of their average daily deposits for a fund to be known as "depositors' insurance fund." Every year thereafter they will be required to add to this fund one-tenth of 1 per cent of the average deposits, until the total fund equals 2 per cent of the average total deposits.

Claims of depositors against insolvent banks who have not received more than 3 per cent interest on deposits are to be paid out of this insurance fund, which is to be under the control of the state commissioner of banking. No bank which fails to pass the examination by the state commissioner on banking next July will be entitled to come under this law, and no new bank will receive a charter which cannot qualify as to the insurance fund. The bank commissioner is authorized not to issue a charter to any new bank if he believes there is not sufficient business tributary to the proposed location of the bank to make it a paying institution.

It is expected that the guaranty fund will amount to \$1,262,000 after the first 1 per cent deposits have been set aside for it, and to \$2,500,000 when the full 2 per cent is paid.

The legislature will hold joint hearings on the bill next week. It is expected that many bankers of Wisconsin will oppose it.

School Savings

After a thorough test extending over a number of years, the Chicago Penny Savings Society has gone out of business. Such stamps as are held by school children or others will be redeemed on presentation to Miss Harriet W. Waters, manager of the woman's department of Central Trust Company. There is an ample fund on hand for paying off claims and it is the hope of the society to bring all accounts to an end at an early date.

This was an experiment in stimulating the saving habit among children, particularly in the public schools, and in the main principle was like the plan which has since been adopted at Minneapolis. The school board sanctioned the efforts of the society and permitted teachers to sell the stamps to pupils. Beyond this it assumed no responsibility in the matter. The business was purely philanthropic and educational. It cost the Penny Savings Society about \$200 a month to operate, the expense being for clerical work, stamp cards, etc. This money was contributed by citizens who believed in the theory. The Central Trust Company alone contributed \$125 a month for a couple of years to advance the experiment. The funds belonging to the society, or rather to the children, were kept for a time with Central Trust and later with Chicago Savings Bank and Trust Company. Although the society has had on hand as much as \$10,000, there was little advantage to the banks in this, as the account had to be kept subject to check owing to its fluctuating tendency. Comparatively few individual accounts came to the banks as a result of this system in the schools and the fact that the experiment is abandoned proves that it was not satisfactory in its results.

In many cases children lost their stamp cards after investing anywhere from ten cents to a dollar and this was a cause of much annoyance and dissatisfaction. When pupils brought their savings up to a dollar or more, they were encouraged to open an individual account at the banks. Quite a number did this and became systematic, intelligent savers.

During the operations of this society a number of city banks adopted the plan of furnishing a neat and secure metal safe to any person who would start an account with a deposit of one dollar or more. This method of encouraging the saving habit has been successful from the first. Miss Waters and the other members of the Penny Society believe that the banks have found the best system and one that renders the school plan practically useless.

Such is not the general view taken of the subject in other cities, however. A good deal of enthusiasm is manifest in Minneapolis and in a number of Wisconsin towns. George R. Ray has started school savings banks in two Wisconsin towns. With respect to one inaugurated at Elroy, he says:

"Out of 350 grade children in the Elroy schools 61 opened accounts the first day, January 5, 1911. In four days the number of depositors doubled and the deposits totaled nearly \$45. The most money has come from the lower grades, a fifth of it being deposited by the third grade. Teachers can do a great deal to encourage the children to deposit. It is certainly a part of education to instill ideas and habits of thrift in the minds of the pupils.

"The system as outlined is especially adapted to smaller school systems. With certain modifications, however, it could be used in larger places. Where there are several buildings each principal can make his deposit directly with the banks and send his reports to the superintendent each week."

The state of Massachusetts is going into the project under sanction of a state law. All ex-

periments of the kind arouse much interest and it is possible that with state aid permanent success may be attained.

President Otis Sees Improvement

President James E. Otis of Western Trust & Savings Bank says:

"In the last ten days there has been a noteworthy improvement in business. The betterment is not sentimental; it is actual.

"I cannot accept the theory that business must move slowly and big enterprises be held in abeyance until the Supreme Court and the Interstate Commerce Commission have spoken in the anti-trust and freight rate cases now before them. The facts are pointing the other way. Easy money has revived the bond market and the railroads are alert to that fact. Campaigns of extensions and improvements are being taken up.

"I think we are assuredly in line for a period of good times."

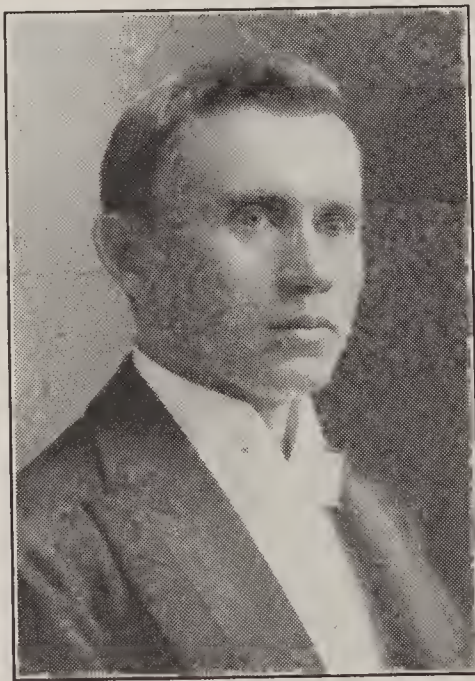
Railway Merger

New York bankers, at the instigation of Cincinnati capitalists, plan to merge a number of Ohio traction companies which operate over 300 miles of track. This plan contemplates taking over all the companies which converge in Cincinnati from the north and east of that city and grouping them under one company. Engineers are now examining the situation, and if their report is satisfactory the bankers have outlined a plan of consolidation, the principal feature of which is to place a blanket bond issue over the entire system and retire the outstanding bonds of the subsidiary companies wherever possible.

Successful North Dakota Banker

S. G. Severtson has just rounded out ten years of intelligent service as cashier of First National Bank of Sheyenne, N. D. His energy and other good qualities have won success and helped to place the bank in an enviable position.

The banking facilities of Sheyenne are in keeping with the marked enterprise so char-



S. G. SEVERTSON
Cashier First National Bank, Sheyenne, N. D.

acteristic of its people, the evidence of which is manifested in its commercial institutions. The character and reputation of its officers and directors, who are all home people, and whose dealings with the people have borne the mark of integrity, have won for this bank the confidence of the business world.

Bank Regulation

The banking bill prepared by W. T. Watson, assistant bank commissioner of Kansas, relating to the management and control of banks, has passed the Kansas house of representatives. It provides that banks shall be managed by a board of directors of not less than five or more than thirteen members. The annual meeting of the stockholders shall be held between the first and tenth of January of each year. A majority of the directors must be residents of the county in which the bank is located. Each director must own five shares of stock worth at least \$100 a share. That stock shall not be hypothecated. Certified copies of the reports of the directors' meetings shall be forwarded to the state bank commissioner within ten days after the meeting is held. The bank is not permitted to invest any of its funds in the stock of any other bank or corporation.

Kansas is considering the plan to require its banks to keep fifty per cent of their legal reserves in national banks within the state. A similar proposition has been causing much discussion in Oklahoma and it is believed that it will be defeated in that state. The Kansas bill was drawn by the city counselor of Kansas City, Kan., with a view to increasing the national bank deposits in that city. But the Kansas City, Kan., banks themselves disclaim any responsibility for it and some of them have openly opposed the scheme.

If the Kansas bill passes it will mean the withdrawal of millions of dollars from banks in Missouri, Illinois and other states. It is estimated that it would increase the deposits in the Kansas City national banks at least \$15,000,000. Many leading Kansas bankers are vigorously opposed to this bill contending that the Kansas banks ought to have the right to make their reserve deposits wherever they choose.

Notable Rail Contracts

As indicating the trend of business it is announced that the New York Central Railroad has made contracts for heavy section rails for 1911 delivery amounting to 176,750 tons. The distribution includes 87,500 tons for the United States Steel Corporation, 81,250 tons for the Lackawanna Steel Co. and 8,000 tons for the Bethlehem Steel Co. Part of the corporation tonnage may be rolled at Pittsburgh, but most of it at the Gary and South Chicago mills.

Of the total ordered 82,750 tons are for lines east of Buffalo and 94,000 tons for the Western division. The deliveries will be divided among the different lines of the system as follows:

New York Central, 55,000 tons; Boston & Albany, 15,000 tons; Rutland, 2,750 tons; Michigan Central, 15,000 tons; Lake Shore, 22,500 tons; Big Four, 12,000 tons; Peoria & Eastern, 3,500 tons; Cincinnati Northern, 3,500 tons; C., I. & S., 6,000 tons; Indiana Harbor Belt, 2,500 tons; Lake Erie & Western, 5,500 tons; Toledo & Ohio Central, 6,000 tons; Pittsburg & Lake Erie, 17,500 tons.

Banks to Close for Lincoln

Chicago banks will be closed on Monday, February 13th, in honor of Lincoln. They will have a holiday also February 22d, for Washington's birthday and another February 28th, primary election day.

\$5,000,000 in McCormick Block

McCormick's new twenty story office building, for wholesale lumber, coal, and railway supply trade, will contain 360,000 square feet of floor space, and will represent an investment of \$5,000,000.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Ancient, Curious and Famous Wills

THE CHICAGO BANKER frequently has published articles by Virgil M. Harris, trust officer of the Mercantile Trust Company, St. Louis. Mr. Harris is a literary attorney, and a genius in both directions. He is lecturer on wills in the St. Louis University, and his collection of ancient curious and famous wills is to be printed in book form by Little, Brown & Company of Boston. The book will be furnished at \$4.00 and cost of carriage by THE CHICAGO BANKER.

This is an entirely new work and will be of interest not only to the legal profession but also to trust company officials and lovers of history and literature. The author is a writer and lecturer of national reputation, and his experience has brought him into close touch with the subject.

There is no branch of the law the history and study of which are more engaging than that of Wills, and the author has brought together a large amount of interesting and valuable material not accessible in any other work.

The book is divided into seven chapters: Practical Suggestions for Will Writing, Ancient Wills, Wills in Fiction and Poetry, Curious Wills, under Five Headings, Testamentary and Kindred Miscellany, Wills of Famous Foreigners and Wills of Famous Americans.

The words which men desire to have read when they are gone show their characters and idiosyncrasies in their true light; and they also reflect the manners and customs of the times when written, more accurately perhaps than any other documents.

In this collection there are about five hundred wills which have been obtained from various parts of the world; they commence with the dawn of creation and close with that of Mary Baker G. Eddy; among others are those of the Patriarch Jacob, Virgil, Cæsar, Columbus, Izaak Walton, Voltaire, Paul Revere, Washington, Benedict Arnold, Thomas Jefferson, Napoleon, Alexander Hamilton, Dolly Madison, Aaron Burr, Brigham Young, Horace Greeley, Daniel Webster, Henry Clay, Stephen Girard, Jefferson Davis, Robert E. Lee, Mark Twain, and Florence Nightingale. As will be seen, many of these will are the products of the master minds of the world. The vagaries of the human intellect are shown in a finely selected list of odd and curious wills, and the Testamentary Miscellany contains exceedingly attractive features.

Such a work has never before been attempted in America, though in England and in France there are similar productions of high merit. The book is a distinct addition to legal literature, as well as a medium of precedent and aid to trust companies and all who have to do with wills, legacies, and the settlement of estates, and Mr. Harris is to be commended for his exhaustive research and labor.

The fact that the author is a lecturer on wills and a practical will-writer, has enabled him to select the subject matter with a discerning eye, and to arrange it in an attractive manner. The work contains many historical and biographical sketches which cannot fail to entertain and instruct.

Twelve national banks were organized during January.

Spokane Chapter Plans Show

The Spokane Chapter of the American Institute of Banking is planning a genuine black-face minstrel show to take place the first week in March. A professional organizer, with a band of helpers, has been engaged and he will be in Spokane February 10th to commence the work on the production. It is proposed to give the best imitation of a genuine minstrel performance ever seen in Spokane. A feature of the first day will be a march down Riverside Avenue, with every man of the local banking force in line, led by R. Lewis Rutter, of the Spokane & Eastern Trust Company. The performers will be in costume and there will be a brass band. A. S. Lindblad, president of the local chapter, will have general charge of the arrangements and committees have been appointed on amusement, publicity, program and tickets.

Seattle Chapter Banquet

Seattle, February 8.—Plans have been perfected by the Seattle Chapter of the American Institute of Banking for what is expected to be the largest bankmen's banquet ever held in this city. The banquet will be held at the Hotel Washington, February 15th. Preparations are being made to seat between 250 and 300 bankers and men closely identified with the financial development of the city.

The program for addresses by several of the city's foremost financiers and professional men. J. W. Spangler, president of the Seattle Credit Men's Association, will be toastmaster.

A special committee, consisting of J. C. Norman, J. C. Glass, E. G. Norris, F. H. Drew, Roy H. B. Nelson, E. K. Riley and George R. Martin, all prominent members of the local bankmen's chapter, have charge of the banquet.

Bank Clerks Volunteer

Three hundred and fifty young men who are members of the Minneapolis chapter of the American Institute of Banking have volunteered their services free of charge for the success of the summer carnival of next July, and A. W. Warnock has been advised by H. E. Cobb, president of the chapter, that he may call upon them individually or collectively. Many of the members are familiar with the locality that will be the center of the celebration, as they are members of boat clubs or owners of sailboats or ice yachts that are used on Lake Calhoun. Others will be available for downtown service as guides.

Yankees Absorb Bonds

It is estimated in financial circles that New England investors have taken in the neighborhood of \$50,000,000 of the bonds and short term notes which have been marketed the past two weeks. It has been by all odds the best bond market since the winter of 1909, and some think it necessary to go back to 1908 to find its equal. One of the largest investment houses reports that its business has been larger than ever before in a similar period, especially in the variety of its sales and the number of individual investors who have gone upon its books. The above mentioned house finds the demand for choice investments broadening.

New York Chapter Banquet

The tenth annual banquet of the New York Chapter of the American Institute of Banking will be held at the Hotel Astor, New York City, on Wednesday, Feb. 8th. The speakers and their subjects will be: A. Piatt Andrew, Assistant Secretary of the United States Treasury, "America's Banking Problem"; Dr. Chas. B. Medwing, "A Present-Day Reality"; Joseph T. Talbert, vice-president National City Bank of New York, "Loans and Discounts"; the Rev. Jos. E. Kittell, D. D., pastor First Reformed Church, Albany, N. Y., "The Moral Dividends," and Edward J. Cattall, editor "Philadelphia," Philadelphia, Pa., "The Pursuit of Happiness."

Iowa Leaders in Chicago

Vice-President Ralph Van Vechten of Continental-Commercial has been entertaining some of his Iowa acquaintances this week. E. J. Curtin of Citizens Savings Bank was here Wednesday and Homer A. Miller of Iowa National, Des Moines, was in the city Tuesday. These gentlemen are among the business leaders of Iowa and they talked encouragingly of the general prospects in the Hawkeye state.

President Drake in the City

President Luther Drake of Merchants National, Omaha, was a caller at Fort Dearborn National Tuesday. Mr. Drake stated that trade was becoming active but money remained easy owing to good collections. There is a liberal movement of country produce through Nebraska.

Suicide Follows Failure

Robert M. Newton, formerly of Aurora, Ill., a banker and horseman committed suicide in Ottawa, Ill., by leaping into the Illinois River, from a bridge. He was cashier and a heavy stockholder in a Billings, Mont., bank which recently assigned.

Newton went from Yorkville, Ill., his home, to Billings about a year and a half ago when he put all his money into the Billings bank. He lost about \$75,000 and friends whom he had induced to invest also lost heavily.

Banker to Start Life Anew

Olympia, Wash., February 8.—Having reimbursed his bondsmen and repaid thousands of dollars to depositors lost by them when his bank failed in 1893, J. K. Edmiston, president of the Walla Walla Savings Bank and the Security Savings Bank of Seattle, who has been a fugitive from justice since his conviction in 1895, was pardoned yesterday by Governor Hay and can now return to this country.

Iowa County Sells Bonds

Des Moines, February 9.—Polk county has sold its \$183,000 refunding bond issue to the Iowa National Bank at a premium of \$4,552 at public auction. The following Chicago houses were bidders: National City Bank of Chicago, Woodin, McNear & Moore and Harris Trust Company.

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Burglar Science

The burglar of to-day, says a London paper, is as far removed from the Bill Sikes of a generation or two ago as the man who skims through the air with the speed of a swallow on his aeroplane is removed from his predecessor who risks his bones in a fire balloon. The modern burglar is often a highly-trained man of science, who knows as much of chemistry, the properties of heat and the resistance of metals as many a professor.

This startling fact is brought home to us by the recent discoveries at No. 9 Exchange Buildings, the scene of the murder of the three city policemen, where a formidable scientific armory was found. This included a cylinder containing 40 feet of oxygen, with a pressure of 1,760 pounds to the square inch, equipped with a dial which registers the amount of gas in the cylinder. There was also a wonderful blowpipe of the latest design, capable of fusing the hardest steel; and a cutter-wrench, 3 feet long, with which the white-hot metal could be cut as easily as a sardine tin with an opener.

Such are some of the formidable weapons with which the up-to-date burglar plies his nefarious trade; and these are by no means the most remarkable weapons in his armory. During the last century the fight between the safemaker and the safebreaker has been waged incessantly, and every step which the one has advanced has been quickly overcome by the other.

The strong oak box, clamped with iron and provided with most formidable hasps and locks, had to give way to the all-iron box, which was guaranteed fire and burglar proof. The safebreaker's reply to this was a tiny hand drill, which speedily cut holes all around the lock in the iron door. The thickness of the iron sides and door of the safe was then increased, and stronger locks and hinges were introduced. But the burglar merely smiled. With his blowpipe he could make the iron as easy almost to cut through as butter.

Again the safemaker took up the challenge. He substituted steel for iron and introduced double doors, locks and hinges. The steel plates were made of exceptional hardness and toughness, able to resist the vastly improved drills and jimmies of the burglar. The burglar smiled again. "There is no such thing as a burglar-proof safe," he chuckled; and to prove

it he met the challenge with a small pinch of nitro-glycerine, scientifically applied and exploded. It was even easier than the obsolete method of the drill.

Again the safemaker took up the gauntlet, determined to baffle the enemy at last. He thought he had solved the problem by producing a five-ply welded plate, consisting of five welded layers of steel—the two outer layers of tough steel, the next two of hard steel, and the center a somewhat thicker layer of tough steel. "At last I have done it!" he exclaimed, in his pride.

Once more the burglar smiled. His answer took the form of a retort carbon, a few yards of electric light wire, a pair of black-eyed glasses and a plate pierced in the middle. He attached two wires to the nearest electric wires; one he fastened to the safe and the other to the carbon-stick. He then inserted the carbon through the hole in the plate, to protect himself against the intense heat and glare; and a voltaic arc of immense power between the carbon-point and the metal of the safe was produced, melting the metal with ease.

In imagination, the outwitted safemaker could see his rival, the burglar, melting holes around the safe lock almost as fast as he could count, and laughing at the easiness of the task.

The newest safety vaults are of the "battle ship" type, with six-inch armor plates and twelve-inch doors, marvels of strength and ingenuity, in which the plates are dovetailed and made additionally tight with wedging strips and key-pieces. But even these formidable vaults are not proof against the scientific burglar, who has now enlisted in his service that terrible explosive thermite, which, it is said, nothing made by human hands can resist.

Bankers at Feast

The first formal dinner of the new Bankers' Club of Kansas City was held in the evening of February 7th. Among the speakers were Stanley Young, clearing house examiner, on "The Reserve Associations of America. Thornton Cooke, treasurer of the Fidelity Trust Company, and C. W. Allendoefer, assistant cashier of the First National Bank, also made addresses.

Exports of copper in January were 29,257 tons, against 26,699 tons last year.

Make Good Record

Missouri enjoys the unique distinction of having two cities that hold fifth and sixth places in the national bank clearings record. For more than a year St. Louis has been fifth with Kansas City next in line and below these are such important cities as Pittsburgh, San Francisco, Baltimore, Houston, Cincinnati, New Orleans, Minneapolis, Cleveland, Los Angeles, Detroit, etc. For the week ending January 26th both St. Louis and Kansas City showed a gain. The former had \$75,750,000, a gain of 9.8%, while the latter had \$52,609,000, a gain of 7%. Omaha with \$14,381,000 had a loss of 5.4% and St. Joseph had \$6,809,000, a loss of 6.6%. Other cities of the Central West as a rule showed substantial gains.

In the statement of the comptroller of the treasury made public January 28th, the condition of the 201 national banks in Kansas exclusive of reserve cities, was given. The interesting feature of the report is that the national banks of no state appear to make a better showing than those of Kansas since November 30th. The loan and discounts amounts to \$50,825,000, which is a decline of only \$400,000, while the individual deposits amount to \$56,720,000 showing an increase of more than \$700,000 since November 30th.

Wells, Fargo & Co. Quit Banking

The National Park Bank of New York made the following statement Monday: "The National Park Bank will at the close of business on February 6th take over the business of Wells, Fargo & Co.'s Bank in New York, Wells, Fargo & Co., having concluded to relinquish its banking business in this city." Wells, Fargo & Co., to avoid any possible misunderstanding, announce that the company is only relinquishing its banking business in New York.

Plan for Trust Company

Toledo, Ohio, February 2.—Spitzer, Rorick & Co., has succeeded the firm of Spitzer & Co., one of the oldest firms of bond dealers in the Middle States. The work of organizing the Spitzer-Rorick Trust Company is now under way. This will not be completed until late in the year, but as soon as it is organized it will succeed Spitzer, Rorick & Co.

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SYNOPSIS OF CHAPTERS

I.—Safety and Security. II.—Bonds and What They Represent. III.—Stocks and What They Are. IV.—Analyzing Railroad Securities. V.—Industrials and Tractions. VI.—Investments vs. Speculation. VII.—"Get-Rich-Quick" Schemes. VIII.—Reorganizations and Syndicates. IX.—The New York Stock Exchange. X.—Wall Street Phrases and Methods.

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THE CHICAGO BANKER

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Pacific Northwest Banking News

Spokane, Washington, February 7.—J. P. M. Richards has been re-elected president of the Spokane & Eastern Company, for the twenty-first time, and has started on the third decade as head of what is claimed to be the largest trust company in the Northwest, or west of Minneapolis. The only change in officers made by the re-elected board of directors was the addition of C. W. Winter to the list of vice-presidents.

One of the important details was the election of an executive committee of eight members who meet each morning to direct the operations of the banks and to pass on credits. The members elected were J. P. M. Richards, Henry M. Richards, R. L. Rutter, W. S. McCrea, Walter G. Merryweather, C. W. Winter and Fred Phair.

Farmers Paying Debts

The farmers of the Walla Walla valley are making few new debts, according to reports from the banks of that city. Rather they are engaged in paying up old debts. At the opening of the fiscal year, July 1st, the banks of Walla Walla carried loans totaling \$3,845,921. On January 7th this sum had been reduced to \$3,566,926. The deposits in all the banks on January 7th, amounted to \$3,589,855, which shows an increase since July 1st of \$82,291. Another favorable symptom as regarded by bank men is the increase in cash and exchange column of

almost 50 per cent in the past six months. On July 1st they amounted to \$873,758, and on January 7th \$1,328,145.

Bank Consolidation

At a joint meeting of the stockholders of the Odessa State Bank and the First National Bank of Odessa, on January 18th, it was decided that both the interests of the stockholders and the community would be better served by a consolidation of the two banks. A committee was appointed to arrange the details of the consolidation, composed of George W. Finney, C. O. Harvey, Charles T. Deets, W. S. Lesley and J. K. McCornack. The consolidated bank will be known as the Union State Bank and will have a capital stock of \$40,000 and undivided profits of \$10,000. The officers are: President, George W. Finney; vice-presidents, Joseph Kriegler and W. R. Lesley; cashier, Charles T. Deets; assistant cashiers, Henry W. Reike and Alfred M. Michaelson, C. O. Harvey, cashier of the Odessa State Bank for six years, will remain with the new institution for a short time.

Bank Stockholder Settles

At the time of the failure of the Palouse State Bank, R. H. Hill, one of the directors, held stock in the bank to the amount of \$7,000. Suit was brought to recover this amount, Mr. Hill being liable for the amount of his stock.

Mr. Hill offered to settle for \$3,200 and a meeting of the creditors was called by George C. Jewett, the receiver, and they decided that \$4,000 was small enough to settle for, that being practically 50 per cent of the stock, and Mr. Hill accepted the compromise. Mr. Jewett has announced that a dividend of 10 per cent will be paid February 1st. A dividend of 20 per cent was paid a year ago, and it is believed if the equities held by the bank in real estate can be realized upon the dividends will reach 50 per cent.

Condition is Prosperous

The banks of Chelan county show a large measure of prosperity in their reports made January 7th. The three financial institutions of Wenatchee have aggregate deposits of \$1,117,234. Their loans amount to \$1,010,551 and their cash on hand totals \$234,102. The deposits in all of the banks of Chelan county are \$1,738,104 as compared with \$2,086,744 in November, its loans, \$1,507,615, as against \$1,542,292, last call. The reduction of deposits and loans was expected by bankers, but there is a large cash balance in the banks.

General Bank News

Eugene T. Wilson, for 18 years examiner of national banks in the Northwest, has resigned his position with the government to assume the duties of vice-president of the National Bank



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C. L. BOYE, Assistant Cashier

of Commerce of Tacoma. With the exception of six years, during which time he was receiver for the First National & Merchants' National banks of Helena, Montana, Mr. Wilson has been continuously in the government service as a national bank examiner since 1893.

J. W. Bradley, collection teller of the Old National Bank of Spokane has been appointed a member of the committee on publicity for the next convention of the American Institute of Banking at Rochester, N. Y. The local chapter feels highly honored as it is one of the youngest in the United States.

At the annual meeting of the Sunnyside, Wash., bank, W. J. Criglor was elected vice-president and O. R. Ferrel director to succeed Naman Woodin, deceased. The year was a prosperous one.

The directors of the Elberton State Bank at Elberton, Wash., at their annual meeting elected W. N. Divine president, J. M. Seagle vice-president and A. R. Metz cashier. The bank was incorporated a year ago, paying 8 per cent dividend and placing 2 per cent in the surplus and undivided profits.

Banking Wealth of California

California ranks fourth to-day in the United States for its per capita wealth, fourth in resources per capita, sixth in total resources, sixth in capital, surplus and undivided profits of banks, and sixth in total individual deposits. In round numbers there was deposited in state banks according to the called reports of October 1, 1910, \$460,000,000, and in California national banks November 10, 1910, according to the comptroller of currency, \$213,000,000, or a total of \$573,000,000 combined with a surplus and capital of \$181,000,000, making a grand total of \$854,000,000.

New \$250,000 Bank Building

Work will begin at Oakland, Cal., March 1st on the new 7 story building of the Security Bank and Trust Co., at Eleventh and Broadway. It will be a class-A structure, the first floor to be used by the bank and the remaining six floors to be used for offices. The building will occupy 50 feet on Broadway and 100 feet on Eleventh Street and will cost \$250,000.

Mrs. Harriman's Bank

At a special meeting in New York of stockholders of the Night and Day Bank the plan to convert the bank into a national institution, under the name of the Harriman National Bank was approved. Mrs. E. H. Harriman is the chief stockholder in the institution.

Batavia, N. Y., Private Bank Suspends

Batavia, N. Y., February 8.—The Farmers Bank, a private institution, suspended to-day following a run of several days' duration. The run, it is said, was caused by the death of President Loomis of the Loomis Bank in Attica.

Wahpeton, N. D., reports the postal savings bank a success.

Progressive Western Bank

Citizens State Bank of Cannon Falls, Minn., does business in a handsome and substantial building, recently rebuilt and modernized. A picture of this tasty structure is here reproduced. Citizens State Bank has a capital and surplus of \$65,000, and large deposits and other resources. It is noted for vigorous management and liberality of dealing. Hiram A. Scriver is president and Cliff W. Gress cashier. The bank has a history extending over nearly a



CITIZENS STATE BANK BUILDING
Cannon Falls, Minnesota

quarter of a century. It was founded by L. S. Follett before Cannon Falls had a railroad.

It has been a successful institution both for the proprietors and the town. Mr. Scriver and Mr. Gress point with pride to their record, and claim that they have lived up to the principles of honest business.

First National building at Windom, Minn., was destroyed by fire; loss \$15,000.

Banking Board

Senator Wesley C. McDowell, president of the North Dakota State Bankers Association, has introduced a bill calling for a separate banking department and placing all state banks and financial corporations under its control. The board is to consist of the governor, secretary of state, attorney-general, and ex officio the secretary and president of the Bankers association. The members have no compensation and the last two no vote. The governor is chairman, the attorney-general is counsel, and the bank commissioner is secretary.

Regular meetings are set for the first Wednesdays of January, April, July and October. Rules are to be made by the board for the corporations, within the estate and national laws. The board must examine all reports of examiners. Orders shall be issued necessary to protect depositors and creditors. The commissioner is to be elected at the first meeting at \$3,000 a year with \$20,000 bond. He is to assume the authority invested in the state bank examiner and is to take over the records and files of previous work. No more than seven examiners may be appointed, subject to approval by the board, on bonds of \$10,000. One examiner is ex officio deputy bank commissioner. The commissioner is at once to divide the state into six districts, arranged with reference to economy and convenience, one examiner to each district. These shall have nearly equal number of banks or other financial institutions.

It is provided that no bank or corporation shall be formed in a town of less than 2,000 inhabitants with capital of less than \$20,000, in towns between 2,000 and 3,000, \$30,000 capital; from 3,000 to 4,000, \$50,000 capital; 4,000 to 5,000 inhabitants, \$40,000; cities of more than 5,000, \$50,000 capital. Stocks must be paid in before corporations are allowed to begin. The appropriation asked for the first two years is \$29,000.

Bank Notes in the Year 1399

J. A. Machado, manager of the American Bank Note Co., of Ottawa in an address at the Canadian Institute last week stated that the Chinese were undoubtedly the first people to issue a bank note. This was in 1399, the note being printed from a wooden block, on paper made from the mulberry tree, in size about 9x13 inches. It bore a warning that anyone attempting to counterfeit the note would be executed and his worldly possessions would be given to the informer. This note was obtained by looters at Peking from the palace of the Empress and purchased by the Bank Note Co. for \$1,200. It is now on exhibition in the office of the company in New York.

R. C. Menefee, treasurer of the Commerce Trust Company of Kansas City, has returned after making a tour of inspection in Oklahoma. He reports banking affairs in that state in a highly flourishing condition.

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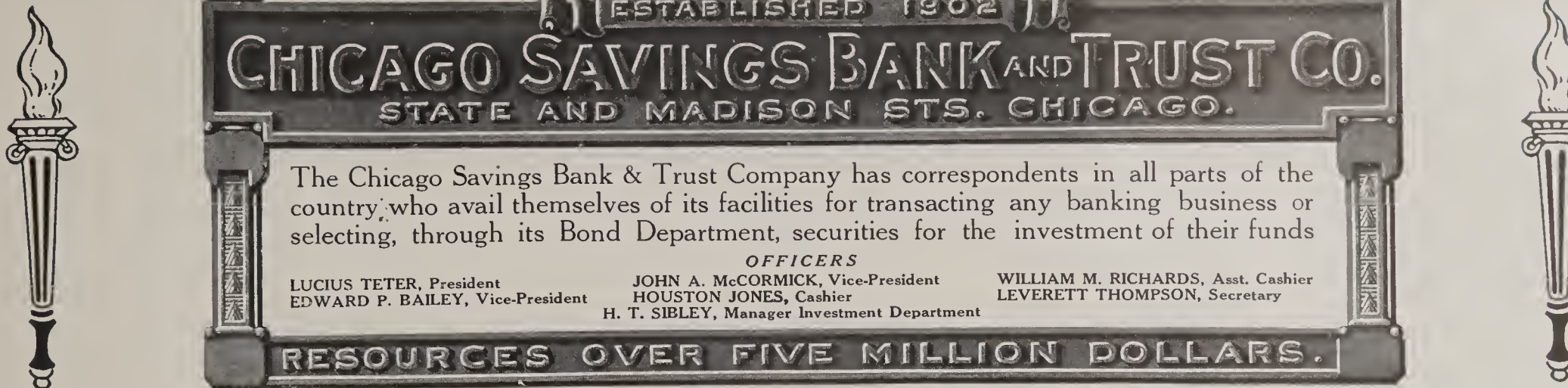
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RESOURCES OVER FIVE MILLION DOLLARS.

Peoria Bankers Take in Auto Show

Messrs. William M. Meade, cashier, and R. W. Truitt of the Bank of Truitt, Matthews & Company, bankers, Chillicothe, Illinois, and B. M. Mcade, cashier of the Interstate Bank and Trust Company, Peoria, Illinois, dropped into Chicago last week to look at the automobile display and to call on Chicago banking acquaintances. B. M. Meade reports that the Interstate Bank at Peoria has enjoyed splendid growth during the ten months the present interests have operated the bank. Their increase in deposits during this period has been above \$125,000, and with the natural growth that all Peorians expect their city to enjoy they feel that the Interstate is bound to be one of the big institutions of the second city of Illinois within reasonable time.

F. H. Elmore Gets a Jump Up

F. H. Elmore, who has been assistant cashier of the Continental and Commercial National, left Wednesday for Missoula, Mont., where he has accepted the position of vice-president of the First National. Officers of the Continental and Commercial presented Mr. Elmore with a testimonial in the shape of a handsome set of silver. Owing to the number of officers of the Continental and Commercial which the recent consolidation made necessary to provide places for, the vacancy caused by Mr. Elmore's resignation will not be filled.

Trust Companies Enter Insurance Field

The Nashville fire insurance situation has been considerably complicated as the result of practically all of the trust companies of that city establishing insurance departments. Similar course was taken at Cleveland, Ohio. It is now reported that one of the leading trust companies in Louisville intends to establish a department. The local agents there are awaiting action on the subject with a good deal of anxiety, as apparently there is no way of preventing the banking houses from entering the business, where their loans give them a great advantage.

Women Bankers Numerous

There are more than 550 women holding official positions in banks in Kansas, while 10 years ago only two women bankers in the state were known. Four of the women bankers of to-day are presidents, 15 vice-presidents, 50 cashiers, 250 assistant cashiers and 250 are directors. This does not take into account stenographers and bookkeepers, but includes only the women who have some say in the actual management of the banks.

Miss Anna Speck of the bank commissioner's office declared recently: "If women were at the

head of all our financial institutions there would be little need of bank supervision and there would be no 'bankers' colony' in our penitentiaries." Miss Speck is said to know more about the condition of Kansas state banks than any other person. It is her work to go through the reports of the bank examiners and tell the bankers what ails their institutions.

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Represents New Detroit Bank

G. H. Sweet, cashier of Metropolitan State Bank, a new Detroit institution, was a visitor at La Salle Street National Wednesday, in company with other business men of the Michigan metropolis. The new bank has not opened its doors yet but will do so before long. It starts with capital and surplus of \$750,000 and is backed by strong interests. Mr. Sweet stated that business in Detroit was in a satisfactory condition, all signs of the depression having disappeared.

Notice to Irrigation Bond Holders

Colonel A. B. MacCaughey, western manager for J. S. & W. S. Kuhns of Pittsburgh, has created a stir among holders of any of their irrigation bonds maturing in 1911. He has offered to take them in at any time presented or sent to any Chicago bank at par and interest. Holders of some issues of irrigation bonds have been having chills and fever ever since the Trowbridge & Niver default, but the holders of Kuhns' securities are on the sunny side of Happy Street. Mr. MacCaughey expects that this offer may be quite welcome to many who wish to take longer time bonds or to use their money otherwise. There are no formalities attached to the offer. Just send the 1911 bonds to any Chicago bank and draw upon A. B. MacCaughey of J. S. & W. S. Kuhns & Co., and get your money.

Mr. MacCaughey is putting out a few short time 6 per cent notes, in which the Chicago banks are investing liberally. Investors who want as much as 6 per cent, on a sure thing, for a year or so cannot do better.

Faith in Walsh Properties

It has been the belief of those who are directly concerned that the Walsh properties would in time develop sufficiently to almost fully reimburse those who advanced the money necessary to liquidate the obligations of his banks. Their hopes may not be realized for two or three years more, but the dividends already paid as well as those assured for the near future are an encouraging sign.

The agreement embraced all the Chicago clearing house members and those institutions affiliated with them for clearing house advantages.

Chicago, Terre Haute and Southeastern is the newly organized company that took over the Southern Indiana and the Chicago Southern railways, the securities of which Mr. Walsh pledged to secure the original loan made by the clearing house banks. This reorganization was conducted by the first mortgage bondholders of the Southern Indiana and the clearing house committee representing the local banks.

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

On his return from New York, E. W. Decker of Northwestern National reports that he found a better feeling there than he had seen in the metropolis since 1907. He was guest of honor in the City Lunch Club of A. B. Hepburn to enable to get a general view of the situation at close range.

The opinion, he found, was that general conditions are improving, that the Union Pacific announcement of proposed expenditure and the proposed reciprocity treaty are additional factors of good influence, and the outlook is for a steady, wholesome and general improvement. With a close touch with 1,100 correspondents Mr. Decker was able to give the bankers his idea of the fine quality of conditions existing.

As to reciprocity Mr. Decker says: "Personally I feel sure that it will be a great boon for this section of the country and indirectly for the East. Few yet realize the vast possibilities of Northwestern Canada. It is an immense and very rich territory, and with the tariff barriers removed great quantities of grain would undoubtedly come to the milling centers of Minneapolis and Duluth, and in return agricultural machinery and goods of all kinds would be forwarded from here and St. Paul. These supplies would come to us from further east and the railroads would get the benefit of the traffic. There will be opposition to reciprocity on the part of farmers who fear that the price of wheat may be affected. I doubt if the effect, if any, will be more than temporary, for after all the price of wheat is made in Liverpool. On the other hand, the farmers overlook the indirect benefit that will come to their communities, and thus in the long run to themselves, from the general prosperity."

Gain in Bank Clearings

St. Paul bank clearings for January increased \$2,347,323 over the same month last year. The total clearings for January, 1911, were \$45,141,784 as against \$42,794,461 in January, 1910. All the bankers report a general resumption in business activity, following the inventory season. Most of the merchants are beginning to place orders for their spring and summer goods.

Another evidence of good conditions is the gradual gain in the deposits. Toward the close of the year the deposits fell off decidedly, but this decrease is being overcome. Money is flowing rapidly toward the west from the east, and there is plenty on hand in the local banks.

Bank Report Shows Big Increase

The report of Kelsey S. Chase, superintendent of banks, shows an increase of \$17,266,787.11 in the resources of the 696 state banks, compared with the figures of a year ago when 648 banks reported. The greatest increase is in deposits represented by time certificates, which were \$55,808,587.10 a year ago and now are \$64,982,438.23, an increase of \$9,173,851.13. Actual currency on hand in the banks is \$4,920,632.28, or \$498,187.18 more than a year ago. Deposits subject to check increased \$3,014,146.26. This is an increase of \$12,187,997.49 in these two deposit items. Loans and discounts of \$95,518,651.54 increased \$15,146,041.65.

Visit Eastern Friends

Archibald A. Crane of the First National, Mrs. Crane and A. A. Jr., are back from the

East, where Mr. Crane spent three weeks in renewing old associations formed when he was officer of the A. B. A., and in estimating financial conditions from the Eastern view point. The visit was primarily for fun. A. A. Jr., went along to show the vice-president of the First a few things about the metropolis that he remembered from a previous visit of two years ago. Junior is now six.

Would Improve Banking System

Northwestern states are busily engaged in trying to perfect their banking systems. Minnesota already has done much to correct errors and put the state banking on a systematic and perfect basis. North and South Dakota and Wisconsin, however, seem to be more in need of changes. Advantage is being taken of the sitting of legislatures in the three states. Few change will be made for Minnesota.

Nine bills were required in Wisconsin. The most important provides for segregation of savings deposits. It provides that in state banks savings deposits shall be kept separate from commercial deposits and invested solely for the benefit of saving depositors. Assets shall be held separate in time of liquidation or trouble and the saving depositor is given first lien on them. On January 15, 1909, there was on deposit in the savings departments of state banks \$24,470,614, or about 23 per cent of the entire deposits in state banks. The present system provides as an evidence of the deposit of savings money the pass book requiring no-

tice before withdrawal can be made. Without segregation the natural consequence is to require notice, in case of trouble, from the savings depositors and to pay the funds of the bank to depositor whose account is payable on demand, thus depleting the tangible assets, so that when the limitation of the savings depositor expires little or nothing is left to meet the demands. The wage earner is therefore not receiving protection like the check or demand certificate depositor.

Another bill strikes from the mutual savings bank law, provision allowing any part of the assets to be loaned on personal security. Another makes it obligatory upon directors to meet once a month to go over the assets. The committee report on this phase shows many failures caused by "one man banks," which it is proposed to stop. Chains of banks are discouraged by another bill. Adventurers have started or bought banks and to use the certificates of stock as collateral for a loan with which to buy another bank, repeating the process indefinitely. The bill prohibits the loan of money by a bank on its capital stock and limits to 10 per cent the amount of money that may be loaned on the stock of any other bank. Loans on real estate security are confined by another bill, to real estate in Wisconsin and states immediately adjoining. Card systems are prohibited for original entries.

Northwestern Notes

The estate of the late A. E. Dickey (treasurer of the Wells & Dickey Company, investments, is placed at \$168,799. Several bequests were made to DePauw university.

E. L. Berwyn, formerly of the Savings Bank of Minneapolis, has opened an office for handling bank stocks and unlisted securities.

Henry Bachman, interested in the Market State Bank as director, also vice-president, retired capitalist, made his fortune from market gardening. He came to the city a poor German immigrant. He obtained a few acres on the outskirts, after he had earned the advance money as a laborer. His first hot bed was improvised from window sash, and the careful culture of vegetables gave him his start. A substantial hot house followed, and now Mr. Bachman has a modern plant with a good house alone with it.

The Farmers' & Merchants' of Wabasha, capital \$25,444, is the first to be authorized by the new Minnesota bank superintendent, Kelsey Chase. He has appointed H. S. Quiggle of Winnebago, deputy, succeeding D. D. Divine of Waseca. Mr. Quiggle was connected with the department as examiner and had been promoted. Pressure for the appointment is said to have been brought by August Widdell of Mankato, business partner of Governor A. O. Eberhart.

Banker will Visit Panama

Vice-President Joseph Chapman, Jr., of Northwestern National, Minneapolis, passed through Chicago Wednesday on his way South. He will visit Panama.

J. E. Hamilton and E. H. Furrow of Merchants National, Cedar Rapids, were circulating among their Chicago friends the fore part of the week.



Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequalled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

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 W. J. KOMMERS, Assistant Cashier
 J. A. YEOMANS, Assistant Cashier
 W. J. SMITHSON, Assistant Cashier

The Old National Bank

OF SPOKANE

Texas Banks Unite

Advices from Fort Worth, Texas, state that First National and Waggoner National have consolidated, and the merged institution will continue the name of First National.

The merger is one of the most important in Texas banking circles in a long time, owing to the importance and wide influence of both institutions concerned. M. B. Lloyd will be president; W. E. Connell, T. B. Yarbrough and R. D. Gage, vice-presidents; Tom Slack, cashier of the First National, will remain in that position, and an official post will be given to Sam Triplett, formerly cashier of Waggoner National.

The present quarters of the Waggoner National and Trust Company will be operated as a savings and trust company department of the merged institution. The combined board of directors includes D. C. Bennett, S. N. B. Bennett, Zane Cetti, George T. Reynolds, M. B. Lloyd, R. B. Masterson, John Scharbauer, R. D. Gage, W. E. Connell, G. H. Connell, T. W. Slack, J. W. Mitchell, C. K. Bell, W. T. Waggoner, William Bryce, T. B. Yarbrough, Erl Baldridge and Mrs. Sicily A. Waggoner. The new bank will have a capital of \$1,000,000.

San Francisco

State Senator Estudillo has introduced the administration's bill for the reorganization of the banking department. This bill repeals the act under which Anderson was appointed, and provides for a new department of banks which is to have charge of the building and loan associations as well as the savings banks, commercial banks and trust companies. It abolishes the Building and Loan Commissioners and throws Charles F. Curry and Jacob P. Transue out of their positions.

San Francisco and New York financiers have incorporated here a \$500,000 branch of the \$5,000,000 Kompolite Company of New York to operate over the Pacific Coast. It will employ 200 men in a factory to be erected in San Francisco.

A banking measure has been introduced in the state legislature providing an amendment to the present law that will permit receivers to deposit with the state treasurer all moneys on hand when final accounting has been made and the final dividends declared, so that the receiver may be discharged from all further obligations. While under the present bank act receivers are no longer appointed, there are still a number in office by virtue of appointment before the present act was passed.

At the annual meeting of the stockholders of the Central Trust Company of California, the agreement of consolidation of this institution with the Anglo-California Trust Company was ratified unanimously. The completion of this amalgamation of these two well-known trust companies is now merely a matter of detail. A meeting will be held for this purpose in a short time.

The monthly letter of the American National Bank of San Francisco points out the fact that the total bank clearings in San Francisco in 1910 were \$2,323,772,870, an increase of \$343,900,300 over the figures of the previous year. Of this increase about \$122,000,000 may be attributed to the operations of the sub-treasury, which became a member of the clearing house last January, leaving \$221,000,000 to be credited to actual improvement in volume of ordinary business. The daily average of clearings last year was \$7,669,217, as compared with \$6,534,232 in 1909, and \$5,780,071 in 1908.

The statements of the ten national banks of

San Francisco, in response to the comptroller's call as of January 7th, show aggregate resources of \$211,671,800, as compared with \$215,601,507, on November 10, 1910, the date of the last previous call. Deposits have decreased \$3,700,000 and loans \$4,000,000, while the cash position remains practically unchanged, indicating a strengthening of reserves.

Los Angeles

Los Angeles national banks carry individual deposits amounting to \$34,702,815, according to a statement issued recently by the comptroller of the currency, and their total resources are \$65,982,587. They had, on January 7th, gold coin to the amount of \$4,057,817, and the total cash on hand made their percentage of legal reserve to deposits 24.42. Loans and discounts of the Los Angeles National banks on that day amounted to \$35,954,887.

The enormous sum of \$17,577,692, was the total of Los Angeles' bank clearings for the week ending January 25, 1911, an increase of \$3,123,553 as compared with the amount for the corresponding period of last year. It beat the corresponding week of 1909 by \$6,138,593.

The comptroller of the currency has approved the application for a charter for a new national bank at Ontario, Cal. The institution will be known as the Ontario National Bank, and will be capitalized at \$50,000. The promoters are G. A. McCrea, a Minnesota man; W. A. Treemire, president of the Ontario Chamber of Commerce; J. S. Armstrong, J. B. Draper and Dr. C. A. Warmer.

The First National Bank of Ocean Park has elected officers and directors for the coming year. E. J. Vawter was re-elected president. Reports for the year were very encouraging. The gross earnings for the first six months were given as \$6,965.42, and for the second half \$7,442.89, a total of \$14,308.31. A big gain in deposits and number of depositors was also reported. The directorate of the bank includes James Chalmers, John W. Lincoln and E. J. Vawter, Jr. R. B. Harris is cashier.

The Farmers and Merchants' National and the First National Bank of Santa Ana reports for the year show both banks to be in a very prosperous condition. Old directors in both institutions were re-elected, with the exception that R. E. Larter was elected for the Farmers and Merchants' instead of G. J. Mosbough.

Officers of the California Bankers Association held the first meeting recently in their new quarters in the Savings Union Bank Building. Reports read showed the flourishing condition of the association throughout California.

Almost without exception banks have found it advantageous to be protected in this manner against the work of forgers and swindlers. Since May the protective committee of the association has secured eighteen convictions.

The next convention will be held at Lake Tahoe, commencing June 15th.

Henry C. Olcott

Henry C. Olcott, for fourteen years with Harvey Fisk & Sons, of New York and Chicago, has become associated with the bond department of the Continental and Commercial Trust and Savings, as assistant to Manager George B. Caldwell. Mr. Olcott will make a specialty of handling United States Government bonds and will also be glad to serve investors who buy other classes of high grade bonds.

John J. Mitchell

John J. Mitchell, president of Illinois Trust, reports an exceedingly confident feeling among eastern bankers.

"I have not found them feeling better in New York for years than they are now," said Mr. Mitchell. "The men with whom I talked seem very confident of the future. They are disregarding the coming supreme court decisions and are doing business. Generally they expect that the railroads will be granted a reasonable increase in freight rates, and that the management of the roads will proceed with important work. Some of the railroads have already announced important projects.

"There is an excellent demand for bonds, and the indications are that it will continue. One banking house in New York informed me that it had sold \$50,000,000 of bonds in Europe in the past few months. I understand there is to be some important railroad financing in the next sixty days to take care of work that has already been planned.

"We are having a better demand for money. Rates in New York were a shade higher today."

Big Bank Deal

Undoubtedly the most important bank deal in Spokane since the sale of the Exchange National bank to E. T. Coman and associates took place last week when George S. Brooke, for nearly 30 years at the head of the Fidelity National Bank, sold a large portion of his stock to Thomas H. Brewer, vice-president of the Exchange National Bank, Dorman Brothers, wealthy land owners of Spokane, and William Kroll, a wealthy lumberman. The deal involved a cash payment of about \$200,000 and 1,045 shares of stock were transferred to Mr. Brewer and his associates. Immediately after closing the deal Mr. Brewer sent his resignation as vice-president and director of the Exchange National bank to President Coman and he will become president of the Fidelity as soon as a meeting of the directors is held. Mr. Brooke retains enough stock to maintain a place on the directorate but will not take an active part in the affairs of the institution.

Mr. Brooke, in company with H. M. Fairweather, established the Fidelity National Bank at Sprague, Wash., in 1882, as a private bank. In 1886 it was incorporated as the First National Bank of Sprague and the capital was increased to \$50,000. Mr. Brooke at once became its president and has remained in that office ever since. In the fire of 1895 which swept Sprague the bank was one of the victims. Mr. Brooke soon after secured a special act of congress permitting the removal of the bank to Spokane, the name was changed to the Fidelity National and the capital stock was increased to \$100,000. This has since been doubled.

Thomas H. Brewer, the new president, has been identified with banking interests of the Inland Empire for nearly twenty years.

Sees Great Monetary Activity

"The really vital problem before the markets now," says the National City Bank circular, "has to do with the new financing the railroads will be forced to resort to if their equipment is to be kept up to the usual standard. More than \$100,000,000 in moderate sized bonds and note issues were sold by the railroads last month. It seems reasonable to expect that during the next five months the aggregate flotations will reach at least \$500,000,000. Such an amount will almost certainly be issued unless some unforeseen obstacles are encountered."

J. S. & W. S. KUHN

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There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, February 8.—Walker Hill, president of the Mechanics-American National, sees some slight improvement in the demand for credits, but otherwise no change in the monetary outlook worthy of note. Speaking of the situation, Mr. Hill says: "The season of high reserves and plenty of funds is here, but that is nothing unusual, for it arrives about this time every year. It is the natural sequence of things financial. It can be safely said that business is in healthy shape, and the demand for funds is gradually improving. It is being felt by us this week. I can see nothing in the near future which would indicate radical change one way or the other. The railroads are the key to the situation just now. Those institutions are great users of raw material and loanable funds under certain conditions. Such conditions would be brought about by a loosening up by the Interstate Commerce gentlemen in the matter of slight rate advances. Otherwise I do not see how the roads are going to do very much in the direction of betterment and new enterprise this year.

Exit George W. Galbreath

The Pacific coast has charms for George W. Galbreath, cashier of the Third National. When the recent cold wave was predicted, Mr. Galbreath decided it was time to move, and his desk is now occupied by J. R. Cooke, assistant cashier. Mr. Galbreath has an orange grove and bungalow near enough to the waters of the Pacific to hear the waves splash, and spends his vacations there in the winter instead of going away in the summer. He will be in California about six weeks.

Manchester Bank Increase

The Manchester Bank, a prosperous little institution in the outlying district, has increased its capital stock from \$100,000 to \$250,000. The new stock was placed at \$150 a share, half being allotted to the old stockholders, and the other half to merchants and business concerns in the neighborhood. August Bischoff is president, A. M. Becker, vice-president and A. E. Brooker, cashier. The present deposits are approximately \$1,120,000.

St. Louis Bank Reserves Heavy

All previous records for reserves in St. Louis banks were exceeded this week, and the local financial institutions have besides established a new record for total deposits and cash and exchange. The deposits aggregate approximately \$335,000,000 and cash and exchange \$138,000,000. Since the last published statement on January 7th, the deposits have increased 10 per cent, and the other two items 20 per cent. In the past week there has been a de-

crease in the aggregate of loans and discounts, but until recently discounts and loans were practically at the same level as a month ago. Financial institutions have been trying to invest the surplus reserve funds in commercial paper, and an extremely heavy business has been done in this direction during the past week or ten days. On Monday of this week alone, about \$3,000,000 in commercial bills were placed. Brokers are finding a most inviting market from a buying viewpoint, provided, of course their offerings are of the required standard.

Result of Conservative Policy

The present condition of big reserves here, is a result direct of the conservative policy enforced by city and county banks in the Middle West—coupled, of course, with the present limited demand for funds from commercial and general industrial sources. Up until the very end of 1910 the demand for credits continued very active, owing to the belated receipts from crops, more particularly the cotton crop, and the heavy requirements of heavy agricultural production. This being the season of preparation, the demand for funds naturally decreases, let basic conditions be as healthy as they may. Local bankers think the present increase in reserves will continue awhile longer, and meanwhile a demand will be created by ordinary mercantile and agricultural conditions.

Mississippi Valley Elects Directors

At the annual election of the Mississippi Valley Trust Company stockholders on Monday, nine members of the board of directors whose terms had expired, were re-elected to serve three years. They are John I. Beggs, James E. Brock, Charles Clark, Horatio N. Davis, S. E. Hoffman, W. J. McBride, W. D. Orthwein and Rolla Wells.

Boyden Sees Fair Prospects

George Boyden, bank and elevator owner of Buda and Sheffield, Ill., was a caller at Western Trust and Savings Bank Thursday. Mr. Boyden is one of the best informed men in that state on financial and agricultural affairs and his Chicago acquaintances obtained some encouraging views from him regarding the business of 1911. As matters stand to-day the winter wheat crop is safe and there will be a large acreage both of wheat and corn in Illinois. With prices even no better than they are at present there will be large returns to farmers and consequently a good business generally for the remainder of the year.

Kansas City Bankers to Visit Oklahoma

Enid, Okla., February 8.—Announcement is made by W. B. Harrison, secretary Oklahoma Bankers Association, that a special car of Kansas City bankers will visit all group meetings to be held in Oklahoma this month. Sixteen Kansas City banks have accepted the invitation to visit the state and it is expected the total number will reach twenty-five. Invitations have also been sent to St. Louis and Chicago bankers, and there probably will be a good delegation from each city. The group meetings will be held at the following places: Guthrie, February 20th, El Reno, February 21st, Chickasha, February 22d, Ardmore, February 23d, and Claremore, February 24th.

There still are some reservations available, and bankers desiring places on the special car should address Eugene P. Davis, Southwest National, Kansas City.

Group Two, Oklahoma

You are cordially invited to attend the fourth annual convention of Group Two of Oklahoma Bankers Association, which will be held at El Reno, Oklahoma, on Tuesday, February 21st.

No time or money has been spared to make this the banner group meeting in the state and we expect it to be the best meeting ever held by this group. Take a week off and attend all the group meetings and more especially the fourth annual meeting of Group Two.

We want to see a representative from every bank within this group and especially invite the ladies and also the bankers from the other groups and states. This is the warm invitation sent out by Secretary Joseph Dvorak. A good program has been provided.

Indiana Banking News

J. A. Roper has been chosen president of First National at South Bend.

The new Corydon National Bank Building is nearing completion. It will be one of the finest business structures in Corydon.

G. H. Williamson has resigned his position with the First National Bank of Greencastle. William Siegelin of Asherville, comes to take his place.

Starr Brownell, of Eagle Creek township, has been picked upon for cashier of the State National Bank of Lowell, to fill the place of Harry Johnson, who goes to the German National Bank, at Hammond.

La Salle Street National Bank

OF CHICAGO

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We believe banking relations should be mutually advantageous, and are prepared to loan money to customers whose responsibility and business with us entitle them to credit.

Our purpose is to transact any banking business to the complete satisfaction of our correspondents.

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CAPITAL AND SURPLUS \$1,250,000

STANDARD TRUST & SAVINGS BANK

159 La Salle Street

CHICAGO

W. J. Kommers

W. J. Kommers, assistant cashier of the Old National at Spokane, and secretary of the building company which erected their magnificent new skyscraper is not to break off relations, as some supposed, by becoming cashier and director of the Union Bank and Trust Company, which in reality is an allied institution with the Old National. The Union now is housed in the white marble building so long the home of the Old National. Kommers has developed such a prowess for building that they are going to give him a chance to build up a big savings bank. He will retain his former position with the Old National and it looks as though he might easily keep busy.

Favorable Currency Movement

On the currency movement into and out of Chicago in January, the local banks gained \$12,405,270. This is by far the largest gain shown by the banks for the first month of any year since the compilation of the figures began in 1906. The excess receipts of currency in January last year were only \$2,355,915.

During the last month the local banks shipped to the country the comparatively small amount of \$6,414,000. Their receipts of cash from the East and the subtreasury were \$2,350,000 and their receipts from all other direct currency shipping sources were \$16,469,330.

Aids 2 Per Cents

Washington, February 8.—Senator Smoot's bill to restrain the secretary of the treasury from receiving bonds issued to provide money for the building of the Panama canal as security for the issuance of circulating notes to national banks passed the senate Monday. This bill is designed to prevent depreciation of \$790,000,000 outstanding 2 per cent government bonds.

Preliminary steps for selling \$100,000,000 of Panama canal bonds will be completed by the treasury department within a few days. It is proposed to have the bonds take date of March 1st. This is an innovation, as previous bond sales have been inaugurated either on January 1st or July 1st.

It is intended to make the loan a popular one. The bonds will be issued in denominations of \$100, \$500 and \$1,000. They will call for 3 per cent interest. Treasury department officials believe the demand for these bonds will be such as to produce a premium of 108 or 109.

After this issue there will remain \$40,000,000 available bonds which may be sold for Panama canal construction.

Large Production of Copper

Estimated production of refined copper by the Calumet and Hecla Mining Company and its subcompanies for January totaled 10,684,785 lbs., compared with 11,252,933 in December and 10,800,263 in November.

Sears, Roebuck & Co. Show Gain

January sales by Sears, Roebuck & Co. were 15 per cent larger than in the corresponding month last year.

Wheat is Lower

Weakness in wheat has been more pronounced this week on account of favorable winter weather. The heavy fall of snow in winter wheat states is supposed to be helpful to the coming crop. May and July options dropped to the lowest point of the season early this week, the former selling below 94 cents and the latter around 93 cents.

Local professionals are about as much mixed as to the course of prices for wheat at the present time as the ordinary layman. The lack of any cash business of importance with the visible continuing to pile up in the face of much smaller receipts, has taken away the chief support of the bulls. There is hope of export business, and with the domestic cash trade at a standstill there does not appear to be much incentive for buying. At the same time sellers are not aggressive, and apparently there is no leadership on either side of the market.

Some of the largest cash corn handlers in the trade are bearish on corn. One of them, in explaining his position, said: "Corn has been hanging around this level for over a month. Wheat and oats held well for some time, but when they commenced to slide they went rapidly. The same thing will happen to corn. It must not be forgotten that the open winter has saved more corn than the increased feeding has taken care of. Our stocks are just commencing to pile up, but as we now have almost 24,000,000 bushels of all grain in store it will soon become a question of finding a place to put it. The point is made that the demand will take care of the movement, but the demand is far below the normal, while our receipts are abnormal. The only point in favor of the market is that corn at 45 cents in Chicago is not high, but it may be so before the middle of March."

Bank Notes

Chicago annual budget this year calls for an expenditure of \$49,000,000.

Shares of Merchants National, Boston, have advanced to 270.

The Farmers National Bank, the American National Bank and the Peoples National Bank, all of Princeton, Ind., have been officially designated by the postoffice department as depositories to receive postal savings bank funds.

Twenty-two Thousand Dollars for a Single Order of Adding Machines

Twenty-two thousand, eight hundred and seventy five dollars is the exact amount of a check given by Sears, Roebuck & Co., in payment for seventy Wales Visible Adding and Listing Machines, to be used in their general offices. This is the largest check ever written for adding machines to be used in one office. Before placing their order Sears, Roebuck & Co. investigated carefully every style of adding machine on the market. They finally discarded fifteen old style machines in favor of the Wales. The most noticeable thing about the Wales is the fact that both the printed items and the total are in plain view of the operator. There is no necessity for bending forward or backward when operating the machine. Ease of operation, the automatic "clear" signal, the convenient slant of the keyboard are features of the Wales that insure accuracy and speedy operation. The durability of the Wales is vouched for by a five year guarantee. The Wales is the only adding machine on the market with a five year guarantee. Any bank, any mercantile house can get a Wales Visible Adding and Listing Machine for free trial simply by writing to the local agent. This trial is given without the user incurring any obligation whatever. In fact, such trials are gladly given, as 97 per cent of all Wales machines in use have sold themselves after competitive trials.

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Iowa Banking News

By W. C. JARNAGIN

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Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

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33 years of continuous, conservative and successful banking

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GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SHOUSE, Auditor

Reserve Agent for National Banks

Will Prosecute Idaho Bankers

Fletcher Dobyns of the firm of Sheriff Bent, Dobyns & Freeman, formerly special assistant United States district attorney, who handled the case of the government in the prosecution of John R. Walsh, has been appointed by Attorney-General George W. Wickersham, as special assistant to the attorney-general, to aid in the prosecution of George H. Kester, William F. Kettenbach and Frank W. Kettenbach, officials of a national bank of Lewiston, Idaho, for the violation of banking laws. The case is set for trial March 13th in Boise City.

Des Moines, February 8.—The opponents of the tax ferret law in Iowa—and that includes the bankers most emphatically—scored again when the senate committee reported the bill repealing the tax ferret law for passage after listening several hours to the frenzied pleas of Major Worthington, of Des Moines, and Judge McCoy, of Oskaloosa, the two leading ferrets of the state. The ferrets made eloquent appeals for the law which keeps them in employment. They submitted huge stacks of figures. But after they had finished the senators calmly voted to recommend the bill for passage. The house had passed the bill the week previous. By time this appears in print, it is probable that the law will be repealed. It can never be revived in Iowa, so it is predicted.

Assessing Bank Shares

It is regarded as certain that the legislature will enact a law placing the assessment and taxation of stock in national, state and savings banks and trust companies on the one basis, that of assessing the individual shareholders. This is particularly true since there is much confusion as to the effect of the recent supreme court decision in the case of the First National of Estherville against the city council of that city as reviewed in these columns recently. The demand for copies of this opinion has almost swamped the clerk of the supreme court. It is probable that Attorney-General Cosson will be asked to give an opinion as to the meaning of the decision, which opinion will be published so that the confusion in the minds of bankers and assessors may be dispelled. To a layman it looks as if the United States supreme court held that the Iowa method of taxing a state bank was illegal, while the Iowa supreme court held that the method of taxing national banks was illegal. It is this tangle that has set the legislators to work in an effort to straighten things out.

Deposits of State Funds

Representative E. R. Moore, of Linn county, a well known banker, has introduced a bill in the Iowa house of representatives providing that any national or state bank, authorized to do business in Iowa and approved by the executive council, may become a state depository upon filing with the state treasurer a corporation bond by a surety company or sufficient municipal, state, county or government bonds. These bonds must be approved by the executive council. The state treasurer will then deposit in these institutions the funds of the state of Iowa. These moneys in the state depositories shall be deemed as in the state treasury. The amount at any time on deposit shall not exceed the paid up capital of the bank or one-half of the penalty of the bond filed nor three-fourths of the value of the bonds filed.

Notable Wedding of Banker

The wedding of William G. Baker of the banking firm of Baker, Watts & Company, of Baltimore, and Miss Mary Drake Sawyers, at Centerville, was one of the largest and most fashionable in the history of Iowa. The event occurred at the Christian church at Centerville and the ceremony was performed by Rev. Mott H. Sawyers of Davenport, uncle of the bride. Over 2,000 invitations were issued to the wedding, some of them going to European royalty. The groom and his party came to Centerville in a private car. Mr. and Mrs. Theodore

Shonts of New York also came from New York in a private car. Mrs. Shonts is an aunt of the bride. The bride is a granddaughter of the late Governor F. M. Drake, and daughter of Dr. J. L. Sawyers of Centerville. She met Mr. Baker while attending school in the East. Immediately after the wedding the bride and groom left in a private car for Florida.

Clash over Bond Taxes

The house of representatives developed its first big row of the session over the question of permitting banks to deduct from their property held for taxation, bonds which are exempted under the laws and which they hold in their possession. Representative Fournier introduced a bill repealing the section which permits this deduction. The storm broke and the debate waxed eloquent. An attempt was made to send the bill to the ways and means committee but it finally went to the judiciary where it is reposing at this writing.

Trust Company to Boost City

The trust company idea which has been adopted by Sioux City as a method of getting new factories, is being considered also by the Greater Des Moines committee of Des Moines. The system, copied after the plan at Williamsport, Pa., is for the banks and business men to associate and form a trust company whose funds will be used in securing new industries. John McHugh of Sioux City, investigated the plan and it was upon his return that the new trust company was formed in that city. The Greater Des Moines committee has received many assurances from Des Moines business men that the scheme will be cordially received in this city.

Assailant is Found Insane

Gus Klang, the young man who threatened to shoot B. A. Plummer of the First National at Spencer, has been found insane and sent to the hospital at Cherokee. Mr. Plummer was walking along the street when Klang approached him, produced a gun and declared that the banker was trying to hypnotize him. "Will you quit?" he demanded as he pointed the gun at the banker. Needless to say Plummer agreed to quit. The young man was taken into custody without delay.

Showing of Reserve Banks

The report of the comptroller of the currency as to the showing made by the national banks of Iowa exclusive of the reserve cities pursuant to the call of January 7th shows the average reserve held at 15.95 per cent, as against 16.57 per cent on November 10th. Loans and discounts in December decreased from \$103,364,940 to \$103,025,506; gold coin from \$2,582,692 to \$2,435,642; lawful money reserve from \$7,912,472 to \$7,273,470; individual deposits from \$97,800,434 to \$97,600,397.

Iowa Banking Notes

The movement which has been agitated at Cedar Rapids and Davenport for having the savings banks open on Saturday nights to accommodate the wage earners, has started in Des Moines. Many of the bankers are opposed to the plan and there does not seem any probability that it will be adopted here in the near future, at least.

Senator Smith of Mitchell, has introduced in the Iowa senate a bill providing that bills of lading shall be made negotiable instruments and uniform. This has been favored by the

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bankers for some years and it is hoped that the measure will be enacted.

The Ottumwa National of Ottumwa and the Black Hawk National of Waterloo, have asked to be made postals savings banks depositories.

Dietrich Wassman, assistant cashier of the bank at Ocheyedan, is dead at that town after many years of suffering from diabetes. Deceased was well known in Osceola county where he was county treasurer for six years. He was familiarly known as "Dick."

The charter of the First National at Charles City has just been extended to January 30, 1931.

The First National at Mapleton has asked to be made a depository for postal savings bank funds.

G. D. Ellyson, president of the Commercial Saving, Des Moines, who has been very ill for some weeks, is on the road to recovery. He has had erysipelas and pneumonia and for a time his life was in the balance.

J. B. Grove has been elected president of the Exchange State at Stuart, succeeding the late A. H. Savage. Otto R. Savage, of Adair, has been elected cashier. Since the death of A. H. Savage, the widow has been acting as president. Mr. Grove is a leading Stuart merchant.

The Farmers & Merchants Savings at Tip-ton has increased its capital stock from \$30,000 to \$50,000.

Judge Smith McPherson in federal court, has ruled that of \$5,088.42 left in the hands of the court when Louis R. Hough, packer, went into bankruptcy two years ago, G. Buchanan & Sons Co., of Omaha, is entitled to \$4,509.62, and the Century Saving of Des Moines, is entitled to \$578.79. Both parties had claimed the entire amount.

The New American Savings Bank has opened for business at Sioux City. The institution is located on East Fourth Street, a portion of the city that is regarded as certain of further development. The bank is capitalized for \$50,000. W. S. Snyder, the president, came to Sioux City from Eagan, S. D., where he has been successful in banking. Len O'Harrow is vice-president; Albert Wedgwood is cashier. The stockholders and directors are well known Sioux City capitalists.

An Eastern View

Nelson Royal, president of the Des Moines Trust Company, upon his return from a trip to New Hampshire recently, gave it as his opinion that New England investors have taken an antagonistic view of the West. Mr. Royal ascribes this antipathy to the fact that western people are inclined to be "insurgent" and insist that railroads, for instance, be limited in their returns to an amount based upon the actual investments in these properties. "They have been accustomed so long to the western people uncomplainingly paying interest upon excessive capitalization of railways that, when they arise and enter a protest, the East looks upon it as a danger signal in the financial sky," said Mr. Royal.

Steals in Order to Travel

John Fowler, arrested in Des Moines and sent to the penitentiary for five years for obtaining money by false pretenses, confessed to a deputy sheriff while enroute to Fort Madison, that he formerly was a bank teller in England and that he stole a large amount from an institution there. Fowler declared that he had a mania for travel and that it was to gratify this ambition that he embezzled the funds. He declared that he has been around the world four times. While the young man seemed to be telling the truth, he refused to give the name of the bank with which he claimed to have been identified in England.

Snow Covers Wheat Belt

The government snow map the fore part of the week showed snow on the ground in southern Illinois, northern Missouri and southwestern Nebraska. Kansas had a trace only in the Northeastern part; Nebraska up to 11 inches; Iowa 3 to 11 inches; Illinois, trace to 8 inches; South Dakota, 4 to 11 inches; North Dakota, 10 to 16 inches; Minnesota 4 to 16 inches, and northern Michigan, 10 to 30 inches.

Metropolitan Earnings

Earnings of the Metropolitan Elevated in 1910 were equivalent to 5 per cent on its outstanding preferred stock and one-tenth of 1 per cent on the outstanding common. This compares with earnings of 4.07 per cent on the preferred stock in 1909 and 3 per cent in 1908.

Chicago Unlisted Securities

Among the more active unlisted securities quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK
American Chicle (com).....	228	234
American Chicle (pfd)	101	103½
Am. Fork & Hoe Co. (com).....	120	122
Am. Fork & Hoe Co. (pfd).....	124	126
American Laundry (com).....	34	
American Laundry (pfd)	108	110½
Am. Light & Tract. (com).....	286	290
*Am. Light & Tract. (pfd)	103½	106½
Amer. Type Fd'rs (com)	49½	50½
Amer. Type Fd'rs (pfd)	99	101
Beatrice Creamery (com).....	88	90
*Beatrice Creamery (pfd)	87	90
Bordens Cond Milk (com).....	119	121
Bordens Cond Milk (pfd)	107	109½
*Butler Bros.	263	
Cities Service (com).....	68	70
Cities Service (pfd)	78	80
Congress Hotel (com).....	87	90
Congress Hotel (pfd)	65	71
Creamery Package Co.....	102	103
Cumberland Tel. Co.....	147	148
Diamond Rubber Co.....	252	257
Elgin National Watch.....	154	157
First State Pawnrs.....	110	116
General Motors (com).....	39½	40½
General Motors (pfd)	71½	72½
National Grocer (com).....	29½	32
National Grocer (pfd)	83	84½
National Safe Deposit Co.....	130	136
N. W. Gas Lt. & Coke Co.....	89½	
North Shore Electric Co.....	80	82
Northwestern Yeast Co.....	375	390
Union Carbide Co.....	106½	107
U. S. Gypsum (com).....	9½	11
U. S. Gypsum (pfd)	76	77½
U. S. Motor (com).....	39	40
*U. S. Motor (pfd)	69	70
Western Electric Co.....	215	220

Miscellaneous Bonds

Auditorium 5's (1929).....	94½	97
Auto Elec 1st 6's (1928).....	76½	78½
Chicago Athletic Club 5's.....	92½	94
Chicago & Milwaukee Elec 5's (1922).....	48	
Chicago Sub'y 1st 5's (1928).....	25½	27
Cicero Gas 5's (1932).....	91	92
Congress Hotel 1st 5's.....	93½	95½
Dering Coal 5's (1955).....	30	33
Emp Dist Elec 5's (1949).....	78	80
Ill. Athletic Club 5½'s.....	90½	92
Interstate T. & T. 5's.....	41	
La Salle Hotel Co. 6's.....	98½	99½
North Shore Elec 5's (1940).....	97½	98½
N. W. Gas Light & Coke 5's.....	98½	100

*Ex. Dividend.

National Bank of Newburgh, N. Y., is a century old and will celebrate.

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Banking conditions in the Central West are generally satisfactory although some financiers are not inclined to be optimistic over the outlook for business. Undoubtedly, as is pointed out by J. R. Dominick, president of the Traders' National Bank of Kansas City, and others, there are indications of a slow market in most commodities. Men who handle cattle paper on an extensive scale are somewhat discouraged by the slower prices, which, they say, will cut into the feeders' profits to a serious extent. The present winter has been ideal for feeding. No cattle in the Southwest have been killed by storms or severe cold weather, but the live stock market is slow with a downward tendency.

"There is a good demand for money," said Thornton Cooke, treasurer of the Fidelity Trust Company of Kansas City, "and I consider conditions favorable for this time of the year. There has not been as much moisture as was hoped for, which is retarding agricultural operations. Little money is being used for speculative purposes and there is plenty available for legitimate business enterprises." Mr. Cooke has just returned from a tour of investigation in central and western Kansas and he is reassured about conditions there. Practically the same situation is reported from most of the Central Western territory although in western Nebraska the drought remains unbroken and the wheat outlook is almost hopeless. There are comparatively few business failures in this district and merchants generally are cleaning up their winter stocks in fairly good shape. The banks have plenty of money and rates are easy. J. W. Perry, president of the National Bank of Commerce of Kansas City, is of the opinion that the banks in this territory will continue to be well supplied with money for some months to come.

Form Alliance against Crime

Representatives of banks in five states met in Kansas City last week to take steps to form a protective association against yeggmen who have been operating so actively in this territory within the past few months. This meeting was the result of many smaller meetings and conferences and was well attended. As the action of the meeting must be ratified by the various state associations represented in the conference—Nebraska, Kansas, Missouri, Oklahoma and Arkansas—it will be several weeks yet before the Bankers' Co-operative Alliance will be fully organized and upon a working basis. The plan decided upon is to establish a detective force to aid country banks. It will have its headquarters in Kansas City because of its central location and will operate in all of the five states in the association. It will do nothing but hunt bank robbers. A resolution was adopted asking each association and company to increase its reward, for each robber caught and convicted to \$500. The present reward varies, but the largest amount any one association offers is \$150.

When the reward is increased it will mean that \$1,000 will be paid for the conviction of each robber, \$500 by the state association and \$500 by the co-operative alliance. The cost of the detective force will be distributed among the five state associations and six bank insurance companies in the conference. One detective will be on duty at the headquarters to be available immediately upon call. The new association will be called the Bankers' Co-opera-

tive Alliance. A. H. Waite, vice-president of the Missouri State Bankers association, was elected president and W. W. Bowman, secretary of the Kansas State Bankers association was made secretary.

Those who attended the conference and formed the Bankers' Co-operative Alliance were: W. B. Hughes, secretary Nebraska State Bankers Association, Omaha; W. W. Bowman, secretary of the Kansas State Bankers Association, Topeka; W. B. Harrison, secretary of the Oklahoma State Bankers Association, Enid; Charles Waite, secretary of the Arkansas State Bankers Association, Little Rock; F. W. Keyser, secretary of the Missouri State Bankers Association, Sedalia; A. H. Waite, vice-president of the Missouri State Bankers Association, Joplin; Albert L. Berger, attorney of the Ocean Accident and Guarantee Company, Kansas City, Kan.; E. G. Bogard, western manager of the Ocean Accident and Guaranty Company, Chicago; T. W. Snyder, manager Kansas Protective Association, Topeka; W. H. Burks, president of the Kansas State Bankers Association, Wellington; James Malone, chief of police, Lincoln, Neb.; R. A. Algire, Kansas manager of the National Surety Company, Kansas City, Mo.; and R. R. Caulkins, treasurer of the Missouri State Bankers Association, St. Louis.

"Arrangements for this conference have been under way for some time," remarked Mr. Harrison of Oklahoma, in discussing the meeting. "The movement had its inception in the heavy losses experienced by burglary insurance companies on banks in Iowa, Nebraska, Missouri, Kansas, Oklahoma and Texas during the early fall months. The losses were greater in Kansas than elsewhere and the secretary of the Kansas State Bankers Association took the initiative in calling the conference. The Kansas banks have been robbed of approximately \$100,000 within a few months."

Several Banks are Looted

Three banks were looted in the Southwest last week. The Linwood State Bank, twenty-five miles west of Kansas City, was robbed early Monday morning by yeggmen who blew the safe and secured \$1,800. The bank is owned by Willis J. Foeles, of Lawrence, Kan. The citizens of Linwood were awakened by the noise of the robbers at work but were kept within their houses by the warnings of confederates who patrolled the streets. The robbers escaped.

Five robbers blew open the safe of the State Bank of Elk Falls, Elk Falls, Kan., and obtained \$2,700. They escaped in an automobile heading for the Osage hills in northern Oklahoma. A posse is in pursuit.

At Duncanville, Texas, a band of robbers worked for more than two hours on the safe of the Farmers' Bank while a number of venturesome residents were forced to stand in line and watch the operations. The vault was destroyed and about \$2,000 in money was taken. The robbers escaped on a handcar.

Banking Notes

Tom Riggs, recently arrested by Sheriff Johnson of Hemphill, Tex., has been identified by Henry Goode, cashier of the Cheyenne Bank, Cheyenne, Okla., as the man who held up that bank and robbed it several weeks ago. Riggs was arrested at Canadian, Tex.

Merchants of Kansas have united to work

for a bill now before the legislature of that state to prohibit the issuance of checks by those who have not sufficient funds in the bank to meet them.

The following officers and directors of the Citizens' Bank of Springfield, Mo., have been elected: President, Jerome O'Hara; vice-president, Ed V. Williams; cashier, Thomas Watkins; assistant cashier, Ross Whitlock. The latter was elected a director to fill the vacancy caused by the death of J. C. Rule. With this exception all the old directors were elected as follows: Jerome O'Hara, Ed. V. Williams, H. B. McDaniel, Thomas Watkins, W. J. McDaniel and J. T. Evans.

John F. Downing, president of the New England National Bank of Kansas City, has been in the East getting in touch with the financial conditions there.

George W. Barnes, millionaire oil operator and president of the Commercial National Bank of Muskogee, Okla., died last week at Monte Carlo where he was visiting. He had been ill for many months and had gone abroad to benefit his health.

The Missouri legislature is considering, among many other bills affecting banking, a measure making it a misdemeanor to circulate false reports damaging to the credit of banking institutions. It has been favorably reported to the house.

Among the visiting bankers in Kansas City last week were: W. E. Dunnegan, cashier of the Polk County (Mo.) bank; W. M. Kennison, president and A. H. Warner, cashier, of the Garden City National Bank of Garden City, Kan.; W. O. Horr, president of the Cotton Exchange Bank of Elk City, Okla.; W. L. Poynter, cashier of the Clinton National Bank of Clinton, Mo.; J. F. Blair, cashier of the bank of Belton, Mo.; M. D. Sampson, cashier of the Solomon National Bank, Solomon, Kan.; J. C. Snyder, cashier of the Jefferson County National Bank, Oskaloosa, Kan.; F. P. Metzger, president of the German-American State Bank, Topeka; J. E. Corley, president of the Wichita State Savings Bank.

Retires after 44 Years' Service

After a service of forty-years with Fourth National Bank, Cincinnati, during which he was advanced from a clerk to the vice-presidency and a director, H. P. Cooke on February 1st retired from active participation in the affairs of the bank. Mr. Cooke will, however, retain his official titles.

The retirement of Mr. Cooke will remove from the banking district one of its most familiar figures. Immediately after the close of the Civil War he came to Cincinnati, and went into Fourth National Bank in a minor position. He advanced rapidly into the confidence of Morris White and was made cashier of the bank, in which capacity he was the principal aid of Mr. White in the conduct of the institution.

The reason for Mr. Cooke's retirement is the condition of his health, which necessitates a long rest from business.

Voluntary Liquidation

Third National of Baltimore is undergoing voluntary liquidation.

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Plan to Entertain

Kansas City bankers are making preparations for the entertainment of the Kansas and Missouri bankers who will attend the joint meeting of the two state associations in Kansas City May 24th and 25th. While the actual business sessions of the conventions will be separate the convention is in effect a joint affair and from a social standpoint will be one. J. F. Downing, representing the Kansas City clearing house association, has appointed committees to look after the entertainment of the visitors. The general committee is composed of the chairmen of the clearing house association and the chairman of each of the various committees of the clearing house. The entertainment committee is composed of the following: G. S. Hovey, chairman; C. G. Hutcheson, Jerome Thralls, J. M. Moore, C. L. Brokaw, J. R. Dominick, Thornton Cooke and W. T. Atkinson. The reception committee will be: E. F. Swinney, J. W. Perry, P. W. Goebel, J. Z. Miller, Jr., F. P. Neal, C. S. Jobes, W. H. Holmes, W. T. Kemper, J. T. M. Johnston, H. C. Lambert. The ladies' committee will be: W. S. Webb, Henry Koehler, G. B. Gray, A. D. Rider, J. B. Pollard, K. L. Browne, G. M. Smith and others to be named. The speakers' committee will also be named later.

Patten a Bear on Wheat

James A. Patten holds extremely bearish views of the entire grain list. "I expect to see wheat sell down to 10 cents and possibly 20 cents per bushel if we get rains in the Southwest any time in the next six weeks," said he yesterday. The market is due for a big decline in any event, as we must find a place for our surplus. There is corn everywhere, and export demands, even if they break the record, can only make a faint impression on our supplies. Oats will certainly have to find an outlet abroad, as there is no end of that grain in this country, and the only wonder is that it has held up as long as it has."

Gary Plant Resumes in Full

More than 1,000 employees of the Gary plant of the Illinois Steel Company have been told to report for duty on February 15th, as the entire plant will resume operations at that time.

J. L. Crawford is the newly-elected president of Terre Haute National.

Indiana Banker in Town

Cashier Leslie M. Springer of Kokomo National Bank was a caller at Central Trust the fore part of the week. Mr. Springer reported business in a prosperous condition in his locality.

War on Robbers

The extensive and successful operations of bank robbers throughout the Middle West during the past few months have aroused bankers in the states affected and some radical action looking toward a lessening of this activity is likely to result. Recent robberies have been more daring and bold than anything since the time when the James boys went the rounds in Missouri.

The recent meeting at Kansas City, which was attended by prominent bankers from five states, was the first step. At that meeting a plan was affected for organizing a detective force to aid country officers in capturing bank robbers. The conference was composed of presidents and secretaries of State Bankers Associations, and the managers of bank-burglary departments of insurance companies.

According to the plan the headquarters of the detective force will be in Kansas City. It will have to do only with bank robberies, and will cover Missouri, Arkansas, Oklahoma, Kansas and Nebraska.

Steel Earnings

The income account of the United States Steel Corporation for 1910 shows that the actual surplus for dividends after all deductions, not including appropriations for new construction, amounted to \$87,563,500, a sum equal to 24.4 per cent on the preferred stock. Deducting the preferred dividend there remained a surplus equal to 12.3 per cent on the common, comparing with 10.6 per cent in the preceding year, 4 per cent in 1908 and 15.6 per cent in 1907. The average balance available for common dividends from 1902 to 1910, inclusive, was 9.1 per cent a year. It is well known, however, that the larger percentage of surplus available for common dividends went into new construction. The balance for dividends, which in 1910 amounted to 24.4 per cent on the preferred, compared with 21.9 per cent in 1909, 12.9 per cent in 1908, and 29.2 per cent in 1907. For the last nine years the average annual balance for dividends was equal to 20.3 per cent on the preferred.

From the foregoing figures it will be seen that the preferred stock can be classed with good investment securities, an evidence of which is found in the fact that the surplus available for dividends averaged almost three times the annual 7 per cent a year requirement.

The earnings of the United States Steel Corporation in 1902 amounted to \$133,308,000, comparing with \$141,144,000 in 1910.

Enlargement of Argo Plant

The finance committee of the Corn Products Refining Company has appropriated sufficient funds for the construction of the second unit of the Argo plant, which will increase the capacity to between 40,000 and 50,000 bushels of corn a day. Cost of the addition will be between \$1,500,000 and \$2,000,000. One officer says it will be paid for either by the sale of the old Chicago property or by sale of the first mortgage bonds, of which the company has \$3,000,000 available for capital expenditure. Work will be begun as soon as the weather permits in the spring. Manufacturing now being done at the Indianapolis plant will be transferred to Argo when the new unit is completed, and the Indianapolis factory will be held as a reserve plant. The Corn Products Refining Company is at present receiving all the business it can handle, although this is generally the dull season of the year.

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FOR SALE

For Sale. Two safe deposit vaults. One medium size, suitable for banks, also one large vault with two entrances. Also two bank chests. For particulars, address, Max Schubert, 757 Washington Avenue, No., Minneapolis, Minn.

Phonograph. New. Cost \$200. Sell for \$110. Address, D-136, Chicago Banker.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. Brick, s'one trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

For Sale. 57 long focus Seneca No. 9, case and 6 Premo holders. Cost \$50.00. Sell for \$25.00. Like new. D. 721 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor. Volule shutter. Value \$97.50. Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$4.00. Address, D-723 Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.
The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.
This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.
Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37.
This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.
A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,
407 Monadnock Block, Chicago.

North and South Trunk Line

The Continental and Commercial Trust and Savings Bank has become trustee of an issue of \$6,000,000 fifty-year 5 per cent gold bonds of the Midland Continental Railroad, now under construction through the state of North Dakota. The road is being built by the Midland Construction Company, headquarters in Chicago, and the bonds will be released by the trustee at the completion of each unit of fifty miles in payment of construction. Business and financial men of Chicago and vicinity are the principal supporters of the project to build the only north and south line in the United States from Canada to the gulf. Considerable construction work has been done.

Department of New Business

Ocala, Fla.—Ocala National Bank has been organized.

Alliance, Ohio—L. Stroup is organizing a state bank in this city.

Confluence, Pa.—A new bank is to be organized at this place.

Lewiston, Idaho—The Union Trust Company has been incorporated.

Georgia—The Citizens Bank of Sylvania will open branches at the towns of Sardis and Newington.

Palmyra, Neb.—The Citizens State Bank has been organized with a capital of \$15,000. E. A. Duff, G. C. Johnson and others are promoters.

Maloy, Iowa—The Maloy Savings Bank has filed articles of organization.

Waco, Tex.—The Farmers & Merchants State Bank has been organized with a capital of \$100,000. L. Fouts, of Dayton, Tex.; W. W. Lastinger, of Center, Tex.; M. L. Garret, J. C. Holloman and George Bird, of Waco, are promoters.

Winfield, Ala.—The Winfield Bank & Trust Company has filed articles of organization with a capital of \$25,000.

Monroe, N. C.—A new bank and trust company is to be organized at this place. M. K. Lee and others are promoters.

Dustin, Okla.—The Oklahoma State Bank has been chartered with a capital of \$15,000. W. N. Fayant, J. R. Buckler, W. V. Brown, J. F. Parker and others are promoters.

Hillsboro, Tex.—The Hill County State Bank has been chartered with a capital of \$50,000. Thomas Ivy, Thos. J. Files, J. T. Johnson and others are promoters.

Harleton, Tex.—The First State Bank is the title of a new chartered institution capitalized at \$50,000. P. O. Carver, W. N. Peal, E. L. Petet, and others are interested.

Memphis, Tenn.—The Phoenix Trust Company has filed articles of organization with a capital of \$50,000. J. K. Miller, M. Carter, M. L. Saunders, A. B. Goodwin and Burns Stewart are interested.

GrandPrairie, Tex.—The Citizens Bank has been chartered with a capital of \$10,000. B. H. Burgher, P. A. Gans and T. H. Hargis are promoters.

Huntington, Tex.—The Angelina County Bank is the title of a new chartered institution. P. S. Forrest, H. H. Wilson and others are interested.

Hamburg, Ark.—The Farmers Savings Bank & Trust Company has been chartered with a capital of \$50,000.

Franklinton, Ky.—A new state bank has been organized here with a capital of \$15,000. Harvey Jones is president and J. M. Kemper cashier.

Smoaks, S. C.—The Smoaks Banking Company has been chartered with a capital of \$10,000. J. E. Smoaks, H. M. Carter, P. W. Thomas and F. J. Berry are promoters.

Holly Beach, N. J.—The Union State Bank has been organized at this place.

Macon, Ga.—The Capital Savings Bank has been chartered with a capital of \$50,000. Alfred C. Newell, of Atlanta; John T. Cone, Chas. H.

Cone, L. A. Braswell, J. B. Philips, W. Harry Cone, W. L. Means and R. D. Aultman, of Macon.

Three Oaks, Mich.—A new state bank is to be organized at this place.

North Zulch, Tex.—The Farmers Guaranty State Bank has been chartered.

Attica, N. Y.—Citizens Bank of Attica starts with a capital stock of \$30,000, and surplus of \$10,000.

O'Brien, Tex.—M. O. Canfield has been elected president and J. E. Guier cashier of the new bank organized here.

Caddo, Okla.—The Second State bank has been chartered with a capital of \$25,000. A. U. Thomas, E. C. Million and S. G. Bryan, of McAlester, Okla., are promoters.

Queen City, Tex.—The Guaranty State Bank has been chartered, capitalized at \$15,000. H. S. Rogers, J. C. Strtwn and J. E. Ellington are promoters.

Texas City, Tex.—The Texas City National Bank, capital \$25,000. J. H. Sieber, R. Lee Kempner, J. H. W. Steele, H. M. Coats, A. S. Gimble.

Archer City, Tex.—It is reported that the First State Bank and the Power State Bank have been consolidated under the name of the latter with a capital of \$50,000.

Oxford, Ala.—The Oxford National Bank, capital \$25,000. L. B. Miller, president; W. C. Gray and W. H. McKleroy, vice-presidents; Frank Leigh, cashier.

Conway, Ark.—The First National Bank, capital \$25,000. J. F. Jones, J. H. Stubbs, F. U. Halter, W. W. Rivers, J. W. James, F. A. Vanderen.

Chattanooga, Tenn.—It is understood a new trust company is to be organized in this city with a capital of \$1,000,000. Chas. B. Eddy and C. E. James are said to be interested.

Parsons, Kan.—The Parsons Savings Bank is being organized with a capital of \$50,000 and surplus of \$5,000. Chas. W. Kimball is president and Paul H. Kimball vice-president.

Providence, R. I.—The Columbus Exchange Bank has filed articles of organization with a capital stock of \$200,000. Incorporators are: V. L. Rala, Charles A. Sylvia, Vito N. Famiglette, A. F. Capotosto, Frederick H. Jackson and others.

Concord, Cal.—The First National Bank of Concord, Cal. Capital, \$25,000. F. W. Foskett, Concord, Cal.; W. L. Brown, M. N. Breckenridge, John Sutton and J. Enloe.

Mayetta, Kan.—The First National Bank of Mayetta, Kan. Capital, \$25,000. W. A. Cooney, Mayetta, Kan.; F. C. Duffy, W. H. Lasswell, R. L. Miller and M. Fitzgerald.

Maricopa, Cal.—The First National Bank of Maricopa, Cal. Capital, \$25,000. F. F. Weed, Maricopa, Cal.; C. E. Worden, W. S. Tevis, C. W. Beatty and F. W. Train.

Ben Franklin, Tex.—The new First State Bank will succeed to the Weldon Bank, capitalized at \$10,000, surplus \$3,750. W. E. Weldon is president, A. E. Sweeney vice-president, W. M. Miller cashier and H. W. Miller assistant cashier.

Postmaster-General Hitchcock has designated forty-four banks to receive postal savings funds.

Mainly About Banks and Bankers

(Continued from page 3)

required to deposit them in a private bank. There would seem to be no more reason for that than there would be for turning the funds over to a private individual. It is true, provision is made that such banker or bankers shall give bond; but we do not think this alters the case."

THUS it has been settled in Illinois and Michigan, by competent authority, that custodians of public funds cannot lawfully deposit them in a private bank.

RALPH N. BALLOU, cashier of the National Produce, Chicago, was instrumental in establishing the First National of Downers Grove, last year and takes great pride in its development. On opening day there were deposits of \$23,346.07 which nearly doubled by the first call of the comptroller. At the January 7th call, this year, the showing was three-to-one—\$68,940.74. J. Warren Rogers is president, Mr. Ballou is vice-president and Samuel Curtis is cashier.

ELLA L. RORER, cashier of the First National of Gilman, Ill., is pretty proud of the \$261,644.71 in deposits shown at last call.

JUDGE S. B. MONTGOMERY'S friends down the state are putting him forward for the chairmanship of the Illinois council at the Springfield meeting of the association. Montgomery is president of a private bank at Rush Valley, but it is expected that he would stand as an incorporated banker, being an officer in E. J. Parker's State Loan and Savings Bank at Quincy.

RUMOR has it that his Rush Valley bank may qualify him doubly by incorporating. You know it will be incorporated banker year, owing to the silly system of alternation prevailing in Illinois.

JUDGE MONTGOMERY is good enough man for any job regardless of trivial questions. Probably there will be other questions, and there is talk of a strong Chicago candidate.

THE "boy banker," Illinois' most youthful private banker, did not appear in court at Peoria as agreed with his bondsmen, last week. He wasn't long in business but he had three "banks" going long enough to be known in history. The "banking" was done at St. David, Ellisville and Glasford.

YOUNG Mr. Butler unconsciously did a great deal for bank supervision in Illinois. The story is that he hurt the public's confidence so in private banking that eight or ten privates only are waiting until the excitement blows over when they will incorporate. "Thus we profit even in adversity."

JOSEPH CHAPMAN, JR., of Minneapolis, was in Chicago on Wednesday en route to the Panama and South America. He dined with the Chicago Association of Commerce at the La Salle, through the good offices of "Farmer" Edens. Mr. Chapman will be gone about one month.

MASSACHUSETTS has a bill before her legislature intended to establish savings banks in her public schools. All moneys so collected would be immediately deposited in the regularly incorporated savings banks.

CHICAGO public schools had a system but who knows about it? We have had inquiries.

BACHE & CO., in their weekly circular, continue to pour in hot shot on the big broad back of President Taft. Our opinion is that most of it is justified by the facts from a Wall Street viewpoint.

LOOSE leaf and card index systems in banks are likely to come to an end in Wisconsin. The new banking bill, now up for passage will not permit their use in banks, if passed. Banks, so the bill says, "must keep their accounts in permanently bound books."

REAL estate loans, so far as the Wisconsin banks are concerned, are likely to be confined to Wisconsin lands.

JAMES K. ILSLEY, the big Milwaukee banker, is outspoken against the bank guaranty program now under way at Madison. Mr. Ilsley says that "it is hardly conceivable that the present legislature will ignore the recommendations made by the special committee of Wisconsin bankers, or that they will inflict upon Wisconsin such a doubtful experiment as is now being tried out in Oklahoma."

"LET the legislature, by all means, give greater power to the state banking department" says Mr. Ilsley "and provide for more frequent and more thorough examinations and by these means prevent, if possible such failures the First National of Mineral Point. But in the attempt to provide for such sporadic and infrequent breakdowns, do not let them provide a remedy that would sooner or later weaken the entire banking system and inevitably lead to results that would be many times more disastrous than the failure of any single institution."

OTHER strong men in Wisconsin will take a decided stand in opposition to the guaranty bills becoming laws of the state. From reports direct from Madison it would seem that not only prompt but very earnest work will be required if the bills are to be headed off.

IOWA bankers are a chesty lot when it comes to speaking of "choice Iowa farm mortgages" as an investment for surplus funds. You can't blame them.

FRANK VAN ERDEWYK, cashier of the Breda Savings Bank, says they have a quarter of a million of the very best of them. In four years the Breda Savings has gone up from \$90,394.44 to \$379,797.02, which shows that the depositors like the Van Erdevyk idea of securing their money against loss.

THE Breda bank has a circular out which other bankers would do well to see. Our belief is that all banks should take their customers into their confidence to the fullest extent. The Breda circular will show you a simple plan of doing it.

WILLIAM R. COMPTON CO., Chicago and St. Louis, have out a mighty attractive circular showing good 6 per cent real estate bonds.

THE spirit of progress animates the banking world, and the perfecting of machinery for the more expeditious handling of business between banks in our own and foreign countries, is continually going on.—Northwestern National, Minneapolis.

THE bond market may have its periods of dullness and weakness, but we are firmly of the belief that the general tendency is upward, and that the good grade of bonds of railroad, public service and industrial corporations can be bought without hesitation.—Spencer Trask & Co.

AN advertisement reads: "Pinkerton's Bank and Bankers Protection is not in any way a Banking Association similar to the American Bankers Association."

And this isn't printed in the Fijis either?

THAT Richmond row, which we thought had been settled, still is on. John L. Williams & Company, bankers, refuse to move from their present quarters in the Chamber of Commerce Building to let a syndicate financed by the First

National tear down the building for the purpose of erecting a twenty-story skyscraper for use of the First National Bank, which is to have the street floor of the building.

NATIONAL CITY, Chicago, continues to be optimistic on the bond market situation. In its February circular letter it says: "We believe that the vast amount of money which is now flowing into all the large reserve cities will almost surely help the bond market and that there will be very much better buying of bonds by the banks and large lending institutions which are ordinarily able to lend their money out at better rates than those prevailing in the money market to-day. The large banks of Europe are obtaining better rates for their loanable funds than are the banks of the United States, which is a rather unusual situation. The general outlook is all right, and we believe that conditions will gradually get better and that there will be a decidedly better sentiment created from now on. The railroads will probably be allowed to increase a portion of their rates, although the situation at the moment indicates that the advances will not be general and that they will not be on any such scale as was asked for by the roads in their original applications. While there has been a great deal of discussion as to the possibility of a revision of the tariff, we believe that that is still a long ways off and that if any reductions are made they will be undertaken in a way which will cause the least possible unsettlement of trade conditions."

YOU bet! We're for Graham for mayor and this from as intimate a knowledge of the facts, of the requirements and of the men as comes to the average mortal. Yes, and further, it's a good guess he'll get the nomination.

BELLVILLE SAVINGS BANK, of which Richard Wangelin is cashier, is one of the best in Illinois. Deposits are almost two millions.

PRIVATE advices from Montgomery, Ala., state that the banking bill drawn up by the Alabama Bankers Association, and endorsed at the regular annual meeting on January 18th, has passed the house with only five dissenting voices. Already a favorable vote in the senate is assured.

R. J. STONEY, JR., editor of "The Banker," Pittsburgh, died suddenly at his home on last Sunday night. He had attended church in the morning, and his unexpected death is ascribed to heart failure. He was a vice-president of the Anchor National and active in state association work.

BANK DEPOSITORS GUARANTY CO., an Arizona corporation, has been enjoined from doing business in Ohio. The kick came from a stockholder who charged that shares had been sold as low as \$10 each.

SOME of our Eastern contemporaries do not go very deeply into things. One of them continually refers to groups of the state organizations as "Group One of the American Bankers Association," for instance, when it should be of New York Association. Same paper keeps billing our big friend Ripley of the Santa Fe as president of the Chicago Title and Trust Company.

CASHIER.

Tells of Improvement

President Charles G. Sanford of First National, Bridgeport, Conn., brought encouraging news to Western bankers a few days ago. He was a visitor at Fort Dearborn National and in answer to inquiries stated that there were indications of improvement in manufacturing and business generally all over the East.

"We have had a dull winter," said he, "but the worst is over and I look for a healthy activity in all lines this spring."

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

DONNELL SAFE COMPANY

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The Audit Company of Illinois

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FOURTH STREET NATIONAL BANK

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Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,300,000.00

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Promptly, Send Them to The National City Bank of Chicago

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The National City Bank of Chicago

Capital, Surplus and Undivided Profits \$2,000,000

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H. E. OTTE . . . Vice-President	HENRY MEYER . . . Assistant Cashier
F. A. CRANDALL . . . Vice-President	W. N. JARNAGIN . . . Assistant Cashier
L. H. GRIMME Cashier	R. U. LANSING . . . Mgr. Bond Dept.

The Girard National Bank Of Philadelphia

Capital,	.	.	.	\$ 2,000,000.00
Surplus and Profits,	.	.	.	4,318,000.00
Deposits,	.	.	.	43,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN Vice-President	JOSEPH WAYNE, Jr. Cashier
THEO. E. WIEDERSHEIM Second Vice-President	CHARLES M. ASHTON Asst. Cashier

To Satisfactorily Handle Your Business, You
Need a Philadelphia Account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

FEBRUARY 18, 1911

Entered as Second-Class Matter January 15, 1903, at the
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10 CENTS A COPY

Deposits Gaining

Nearly all Chicago banks, in common with those in other large centers, report a continued gain in deposits. Money is not to be described as inactive in this market and yet the business situation has not improved sufficiently to cause an advance in discount rates. The market stands on a 5 per cent level, with a few transactions fractionally under this figure and occasionally one at $5\frac{1}{4}$ to $5\frac{1}{2}$ per cent.

Bankers find encouragement in the condition of the bond market. The willingness of those needing capital to pay 5 to 6 per cent is shown by the bond sales. Nearly all local transactions are in securities returning at least 5 per cent. The volume of this business is large enough to impart a healthy tone to the money market and tide it over until the commercial activity incident to spring ensues.

The supply of money is likely to exceed the demand for some weeks yet collections in the main are good and the growth of deposits is a natural result of this, taken in connection with a fair mercantile trade and a quite general employment of labor. It is undoubtedly true that discounts have gained in volume within the last ten days and still they do not keep pace with the supply of money. Bankers anticipate a broader employment of capital through the West in the next few weeks, with a tendency toward higher quotations. These will be the usual mercantile and manufacturing needs, somewhat extensive railroad requirements and at least a moderate demand from the interior. City real estate development already is giving a little zest to the money market. Real estate loans in the main are at 5 per cent.

South Prospers

"The South is in the most prosperous condition it has known since the war. It is not merely prosperity in a single line of industry, but in every line. Not many years ago everything depended on the cotton crop, but that is not the case any more. Our great prosperity is due to a diversity of interests, and we have made progress just in proportion as we have got out of the rut and sought the advantages of diversified farming and diversified business."

The above statement would have served as the subject for a Horace Greeley editorial forty years ago. Many editors can write a column and say less in it than the speaker put in those few lines.

The remarks are from M. G. Buckingham, of Memphis, who was interviewed by a representative of THE CHICAGO BANKER Tuesday. Mr. Buckingham, who is vice-president of United States Trust and Savings Bank and cashier of State National in the Tennessee metropolis, was a visitor at Fort Dearborn National, where he gave much interesting information about improved conditions in the South.

"A pretty good evidence of our prosperity is the advance in land," said he. "Lands all through that section are to-day renting for as much as they were selling for ten years ago. There is about the same rate of progress in Arkansas as in Tennessee. The rice industry

is developing finely. The large returns from the last cotton crop are giving that country a great boost, but in reality it is mixed farming that is sending the people forward. Nearly every farmer has such a variety of products that he must prosper anyway. We have splendid markets there for all kinds of live stock as well as products of the soil."

Fewer Crimes

Bank robberies have become fewer in the Central West owing to the unusual activity of the police authorities. The famous Wymore gang, of Wymore, Neb., seems to have been broken up with the arrest of four men alleged to be members. These prisoners are now in jail at Marysville, Kan., waiting trial. The one robbery of interest during the past week was at Hollister, Okla., where the bank was blown by four men who escaped in a motor car. It has not been announced how much of the bank's money was taken. The bank authorities claim that the robbers were driven off before they had taken anything of value.

Geo. M. Reynolds in the East

Geo. M. Reynolds left for the East Thursday night, intending to be absent for a week.

Two Western Leaders in Association Work



E. W. PURDY
Bellingham, Wash.

Mr. Purdy is president of the First National at Bellingham and president of the Washington Bankers' Association. He was early in the harness and helped materially to bring the state association up to its present high standard of efficiency.



H. VAN DEUSEN
Rock Springs, Wyo.

Mr. Van Deusen is cashier of the Rock Springs National and secretary of the Wyoming Bankers' Association, which is coming rapidly to the front. Mr. Van Deusen belongs to the younger crowd, which recognizes the value of organization.

Bonds Active

Western Trust and Savings Bank and Geo. H. Burr & Co., are offering at 99, 99½ and interest the remaining \$500,000 of the Karpen Building 5 per cent bonds.

Following repeated offers for city 4 per cent stock from large banking houses, the board of finance commissioners has decided to dispose of \$1,000,000 city stock at public sale after March 1st.

The Farwell Trust Company and the Continental and Commercial Trust and Savings Bank are offering the balance of the \$2,000,000 of new Diamond Match debenture 6s not taken by the stockholders. The notes are selling around 102½ in the local market.

Wisconsin Railroad Commission has authorized the Madison Gas Company to issue \$627,000 thirty year 6 per cent bonds, to be part of a proposed issue totaling \$3,000,000, dated October 1, 1911, collectible any interest date at 110.

The Harris Trust and Savings Bank was awarded \$850,000 of Seattle school district 4½ per cent bonds, due serially 1912 to 1931. The bank already has placed over \$600,000 of these bonds. The proceeds of the issue are as follows: \$600,000 for school site, building and furnishing; \$150,000 for school funding and \$100,000 for school grounds.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$9,500,000

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Northeast Corner Clark and Adams Streets

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FRANK L. SHEPARD - Auditor
H. LAWTON - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS
Corner Monroe and Clark Streets

Surplus \$500,000

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Vice-President

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Cashier

Officers
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WM. P. KOPF
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GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

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Correspondence and interviews invited
Circulars on application

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ESTABLISHED 1873

Capital, - \$1,250,000
Deposits, \$10,000,000

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Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

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WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

A DOWN state banker who is in the swim tells us that Lampert of the Ft. Dearborn is being talked of for member of the big executive council of the A. B. A., to be elected at the Springfield convention. He cites Lampert's good qualities in a way which would cause that good natured gentleman to blush were it to be repeated here.

THE same informant says he never felt right after Greene was "bounced" for George at the barbecue on George's farm—not until Greene was "vindicated" at the Moline talk-fest.

NOW that that has been squared he is for Crabtree for the big council to start the old order of things all over again, by giving the retiring president of the state association a term as the state representative in things national. Many states do this as any one can see by looking over the list. This puts good, trained men where they may get clear to the top of official preferment, as president of the A. B. A.

L. A. GODDARD will retire this year from the big council and Nelson H. Greene of Moline will succeed.

NEXT year William George of Aurora and J. O. Wilson of Bloomington will retire and Lampert and Crabtree or some other equally good men will be elected. You see that Greene, a "countryman" will have taken the place of Goddard of Chicago, and the correct geographical balance can be restored by electing, next year, one man from down state and one from Chicago.

OF course this is "early," but you know the old saw on that subject.

THERE are a mighty lot of improvements in the proceedings book of the American Bankers Association convention at Los Angeles. All the sections are included in one fine volume and the indexing of the members of council, alone, shows one almost invaluable refinement. All the standard features are present and the press-work—done on merit and not by favor—is fine. The portraits are exceptionally good, and all-in-all we can toss our bouquet at the feet of the general-secretary with our blessing. Good printing at a right price has taken the place of job-work at a maximum. Give Col. Farnsworth and a loyal council full credit for the improvement.

SOME of you do not know the chaos from which 11 Pine Street emerged right after the Atlantic City convention. In an effort to stir up the ex-members of the big council with the prospects of organizing the down-and-outers into the council club, a list of ex-members was requested at the general office. There was none. No list of deceased either—in fact there were no "records" to be found. Now you don't have to wait for information to be dug up; it's ready. Quite a change in the weather since 1907.

PROBABLY the location of the next convention will be settled at the Nashville meeting of the council. Out west it looks like

San Antonio. Down east they talk Atlantic City. The bankers met seven times at Saratoga Springs and some want to adopt Atlantic City as a regular thing. The convention is getting to be quite a burden to "entertain" in any city. Costs the local banks a pile of money. Many bankers hope to see the day when all meetings will be held where hotels abound and where they may entertain themselves.

TALK of a convention on water, like a trip to Panama, is heard and if the proper manager should come forward it may be done.

COMMODORE LIVINGSTONE, a real water dog, will be president next year and perhaps he will find the way to make it a lake event. That would be fine.

RUMOR has it that Frank P. Judson has tired of the commercial paper business and will retire from Rickards & Co., about April 1st and take a running jump back to the soil. Mr. Judson has a nice farm, not far out, but the California siren has been singing a sweet song and perhaps he will locate there.

MR. JUDSON is said to have landed on something very fine, in the way of an undeveloped land tract, where water can be had,—well this part of it is a secret. Those who know Mr. Judson will not require assurance that the deal is more of a certainty than a gamble.

THOMAS C. CLARK, recently elected judge of the superior court, has been appointed to sit in the branch appellate court in place of Judge Julian Mack who resigned to take up his duties in the federal Court of Commerce. This is quite a tribute to Judge Clark, who was elected on the democratic ticket at the last election. He is a resident of Evanston and is a fine lawyer and student of literature.

"THE signs multiply that in his proposal of reciprocity with Canada, in his special message to congress on the subject, and in his speech at the Ohio dinner in Washington, President Taft has made the hit of his administration." This is the way Harper's Weekly scores a single bagger for our portly president.

OFFICIALS of the trust company section are being congratulated upon the decision made by the governing board of the postal savings banks, pointing out that trust companies doing banking business under state supervision may become depositaries of postal savings bank funds. When this law was up for passage in congress, no attempt was made by the officials of the section to have trust companies specifically named. The reason for this is quite evident. Many of them do not do a banking business and in some states they are not subject to supervision by the banking department.

UNDER the decision of the board of trustees, private banks are not permitted to receive or hold postal savings bank funds, being regarded simply as individual enterprises. In any state where no bank is willing to take the postal funds at the rate of interest prescribed,

they may be deposited with the United States treasurer.

SECRETARY BABCOCK of the trust company section has a hobby for collecting samples of newspaper advertising matter, booklets, pamphlets, folders, etc., relating to the business of trust company banking. These have been indexed and arranged at his office at 11 Pine Street, New York, for the benefit of those interested in the subject. A great many trust company officials have expressed their satisfaction at this arrangement.

MEMBERSHIP in the savings bank section now numbers over eighteen hundred. The section loses about fifty members each year owing to the present day fashion of amalgamating savings banks with other banks.

UNDER the constitution savings departments operated by national banks are entitled to membership in the section. They are not required, however, to pay any additional dues. State banks and trust companies are entitled to the same courtesy.

NOW that at least a half dozen state legislatures are trying to pass guaranty laws, it is interesting to note that at the Los Angeles convention, the American Bankers Association went upon record as being "unalterably opposed" to guaranty of deposits in any form.

COPIES of the resolution passed covering the guaranty question can be had from Secretary Farnsworth at 11 Pine Street, New York. It states in most decided language the conviction of the association that guaranty leads to reckless banking and places a dangerous tool in the hands of the unscrupulous and inexperienced.

PITTSBURGH CLEARING HOUSE has had a committee at work for some time investigating the subject of clearing house bank examinations. The committee has visited both Chicago and St. Louis where the system has been in operation successfully. The report made by this committee is exhaustive and very interesting even to those who are familiar with the subject.

COPIES of practically all the documents in use by the examiners and by the clearing houses have been included in the report. Explanations of how these blanks are used are very fully made.

THE committee asked for and obtained the opinions of leading bankers in both of the cities. For Chicago, James B. Forgan, David R. Forgan, and W. T. Fenton furnished the strongest kind of endorsement for the plan. Mr. Forgan forgot to say in his letter that Mr. Fenton is entitled to the credit of suggesting the employment of a clearing house examiner by the Chicago clearing house.

CHICAGO is the pioneer city in this new function of clearing house work and perhaps nothing more important of like character can be pointed out as having occurred within the last ten years. Mr. Fenton in his letter was
(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
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Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
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La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

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GORN EXCHANGE

CAPITAL : \$3,000,000.00
SURPLUS : \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

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Accounts of Banks and Bankers received upon liberal terms

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CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT.
CHARLES G. DAWES, ex-Comptroller of the Currency

Bankers Endorse Aldrich Plan

Favorable result of conference held by leading financiers regarding National Reserve Association

Leading financiers representing all sections of the United States have held a conference and indorsed the principles of Senator Aldrich's plan for a central reserve association.

This meeting was held at Atlantic City Friday, Saturday and Monday, and was attended by twenty-two bankers. Senator Aldrich had asked a large number of representative business men to meet for an exchange of views. The senator was not present, as his health is bad and he is spending the winter in the South. Congressman Vreeland, chairman of the monetary commission, presided.

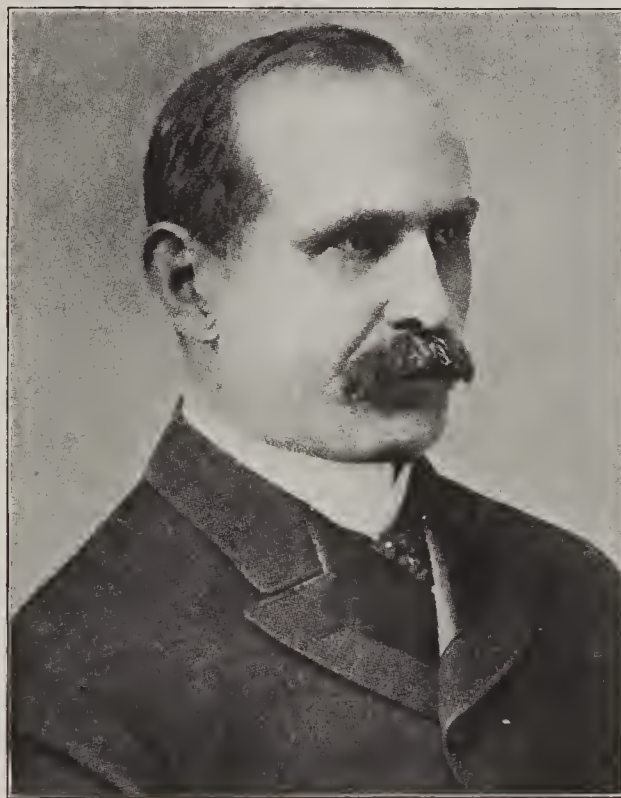
The debate was without restriction, and while certain changes in details were agreed on the general scheme for reforming the nation's currency laws was approved. Nearly every banker there went with his own notions as to what would be proper amendments, but when the numerous suggestions were made and voted upon they were nearly all voted down.

George M. Reynolds, who, with J. B. Forgan, represented Chicago at the meeting, said:

"The bankers in attendance at the conference represented every section of the country, and were regarded as representative of the banking interests of the community from which they came. Senator Aldrich's recommendations were taken up paragraph by paragraph, and sometimes by clauses and deliberated upon. I must say that when it was all over we had to confess that the draft of the bill as prepared by Senator Aldrich came near covering in some form or another about every idea that the different bankers could present. We did, however, vote to recommend some changes.

"One of these was to change the maximum amount of dividend which the reserve association should pay its stockholders, from 5 per cent to 6 per cent. It was argued that some of the smaller banks in newer parts of the country were entitled to receive more than 5 per cent on their investment in the reserve association, since their loaning rates to customers are much

above that figure. We voted, therefore, to raise the maximum dividend to 6 per cent. At



EDWARD B. VREELAND
Who presided at Bankers' Conference

Carbon Stock is Reinstated

At a meeting of the governing committee of the Chicago Stock Exchange Wednesday the \$4,500,000 of preferred stock and the \$5,500,000 of common stock of the National Carbon Company were admitted to the regular trading list of the exchange. This admission of these stocks to the regular list follows their expulsion last December from the unlisted department of the exchange.

The expulsion was due to the confusion that resulted from the failure of the company to notify the exchange of the declaration of an extra cash dividend of \$15 a share on the common stock, the exchange receiving its first information when local stockholders of the company received their dividend checks. Numerous traders bought the stock above \$140 a share expecting to get an extra dividend, only to find that the books had been closed and the dividend paid without public notice.

J. H. Montay Dies Suddenly

J. H. Montay, a capitalist and recently president of the State Bank of Enid, Okla., died suddenly of heart failure last week. At the time of his death he was a director of the Guarantee Bond and Trust Company of Enid, and had interests in several other banks and trust companies of Oklahoma.

Aurora, Elgin & Chicago shows a gain of \$17,000 in passenger earnings for January.

the same time we recommended a further change in the distribution of profits.

"The present recommendation of Senator Aldrich provides that after the reserve association shall have accumulated a surplus of 20 per cent and the stockholders shall have been paid 5 per cent, then all the profits shall go to the government. We thought that if it was good for an individual association to have a strong reserve the same would be true of the great central association, and we recommended that after the 6 per cent dividend to stockholders, one-third of the profits should go to surplus and the remaining two-thirds to the government.

"The question of commercial paper was thoroughly discussed and the bankers agreed that in addition to the ordinary kinds of commercial paper the notes of one bank to its reserve correspondent should be considered available paper to deposit with the reserve association. The same was true of rediscounts.

"The conference recommended that there be no tax on the circulation taken over by the reserve association when it purchases the government bonds securing such circulation. We thought the reserve association should pay a premium of 2½ per cent for the 2 per cent bonds against which most of the national bank circulation is now issued. The national banks of the country are carrying as an asset about \$11,000,000 premiums on these bonds."

Another leading banker who attended made this statement:

"The conference has approved the Aldrich plan as it was submitted by him to the monetary commission, and while some may refer to it as a central control of issue, yet it is different in many essentials, and solves the problem of providing that elasticity in currency which the political laws do not provide. The representatives of the banking world of the nation can be said, after the decision here, to have given their indorsement and moral and active support to the Aldrich plan."

New Organization

Report of the organizing of a separate body of Wisconsin state banks, which will not include those institutions operating under the sole supervision of the national government, is discredited by Secretary G. D. Bartlett of the Wisconsin Bankers Association.

"Our organization includes both state and national banks, and any such association of state banks as described in the report would imply a secession on the part of the latter from the regular body," said Mr. Bartlett.

"I believe the report emanated from some talk of an informal gathering of state bank officials in this vicinity to discuss the guaranty and other bills relating to banks which had hearings last week in Madison.

"The national and state banks hold different views of the guaranty bill and it was thought that the state bankers could accomplish more by concerted action. However, to my knowledge there has been no talk of a formal organization of the state banks."

Monster Banquet

Philadelphia, February 17.—A banquet with 600 guests was given to-night at the Bellevue-Stratford hotel under the auspices of Philadelphia bankers. Nearly all the guests are bankers, and they came from every section.

Every financial institution in this city was represented, and these alone stand for resources of more than \$952,000,000. The principal speakers were the newly elected United States senator from Washington, Miles Poin-dexter, George Wharton Pepper, of this city, and J. Frederick Bangs, author and playwright, Charles J. Rhoads, third vice-president of Girard Trust Company, was toastmaster.

Prominent in the list of guests are Judge William H. Moore, president of the Rock Island Railroad; William G. McDowell, president of the Norfolk and Western Railway; James M. Beck, G. H. B. McKnight, vice-president of the Pennsylvania lines west of Pittsburgh, and Col. F. E. Farnsworth, secretary of the American Bankers Association.

Banker Graham Outlines His Mayoralty Platform

Andrew J. Graham tells why he thinks he should be nominated chief executive of the city of Chicago

What is the most vital subject to be considered in connection with the pending mayoralty election? Chicago, in a purely business sense, is on a par with some vast commercial enterprise. The taxes collected are the revenues of the municipality. The mayor as chief executive of this great corporation is responsible for the honest and efficient expenditure of approximately \$60,000,000.

It is, therefore, expedient that the voters who are the stockholders in this vast enterprise should weigh well the question: Who shall direct the affairs of this commonwealth in order that every dollar spent may procure 100 per cent value received?

To the voters, therefore, this issue is paramount: Who of the many candidates proposed is the best fitted by training to serve the people for four years as mayor? Here is a great corporation with an annual budget of \$50,000,000 that requires as its chief executive a man who must conscientiously appreciate the purchasing power of every dollar in this big total, who must install methods of economy that will get for the city the same value received in services rendered and articles purchased as do private firms and corporations.

At the very outset such a leader must impart to his administration the inspiration that no act of dishonesty, neglect, or inefficiency will ever be tolerated. A uniform rule of reward for those who excel and speedy dismissal for the grafter or the laggard must prevail. A progressive economy must be the guiding spirit.

The secret of successful government, whether national or municipal, is honesty—not just passive honesty, but honesty of that active form which spells efficiency. If every task undertaken, no matter how great or how small, were placed in the scales and weighed against honesty and efficiency, our municipal government would be a credit instead of a continued target for attack.

Comparison between inefficient municipal administration and efficient business administration would not be drawn to the disadvantage of the former if such a principle were once adopted and rigidly adhered to. The reason for so many municipal administration failures is that political machinery has been allowed to run wild and that few men occupying the position of chief executive of our city have had the courage or the ability to do for the municipality what they would do for themselves or their business associates if they were placed in positions of equal trust at the head of some commercial enterprise.

For thirty-five years I have worked ceaselessly to build up a business along progressively efficient lines. How well I have succeeded I leave to the judgment of those who know me in a business way. The past is the only human gauge of prophesy for the future. In the event of my becoming mayor, is there any just ground for the suspicion that I will cast aside those basic principles that I have followed all my life?

Is it not reasonable to believe that within me is the laudable ambition and unbending resolution to make four years of municipal service the keystone to my record of business accomplishment?

I became a candidate for mayor at the urgent request of 40,000 business men. It was only after reviewing their petition and becoming impressed with the genuineness of their plea that I consented to enter the race. Briefly

stated, here are the cardinal points of my platform:

The end of graft and corruption.

Home rule that will guarantee Chicago a government by Chicagoans.

Universal transfers, through routes—one city one fare—with interchange of transfer accommodations between elevated and surface lines and vice versa.

A subway system that will end loop delays and make Chicago grow uniformly.

A thorough lighting system that will utilize every atom of electrical energy developed by the drainage water power.

A nonpolitical police force that will be confined exclusively to police duty.

Better fire protection for all Chicago.

More small parks and playgrounds.

An adequate water supply for upper story dwellers.

Lower rates for public utilities in accordance with the most thorough investigation possible.

Lower taxes with the introduction of efficiency in the public service.

A more equitable enforcement of the special assessment laws.

Personal liberty that will preserve the national customs of our cosmopolitan population.

More grammar schools in order that every child may have a seat and a full day's attendance.

I have familiarized myself with the functions of practically every department in our city government so that the duties of mayor of Chicago are in no sense new to me.

I have established a good name in the community where I was born and where I have

lived all my life. I feel in a sense under obligations to the city that has given me the full measure of opportunity, and I desire to show my gratitude by an administration of our public affairs that will set things right at the outset, and then establish an era of progressive efficiency that will be a credit to the world's future metropolis.

An attempt has been made to cloud the public mind by a clamorous demand that the price of one public utility be established in advance of the verdict of experts. My position on this subject is clearly defined in my platform: "Public utilities are but public servants. It is the duty of the city council and the mayor to determine the price that shall be charged for public service commodities and these rates should be as reasonably low as a thorough council investigation shall determine. For a mayor or a candidate for mayor to say before investigation what these rates should be is on a par with the judge deciding a case before the evidence has been submitted."

I thoroughly realize the tremendous responsibilities involved. If I am elected I shall be the mayor of all Chicago, under obligations solely to the people—the great body of stockholders in the corporation of the city of Chicago—to give them a progressively efficient and economical administration.

Almost a Million in Sales

Last fall the Burroughs Adding Machine Co. set its salesmen the task of selling one million dollars worth of machines during December. Under high pressure and an inter-agency bulletin service and stimulant 3,056 machines were sold for \$982,862.50. Tremendous for a specialty, but which almost is a necessity in business. Eighty field men and agents with all expenses paid were summoned to Detroit for a week's convention. This year's quota was increased 20 per cent which means that Burroughs agents are expected to sell 21,600 machines in 1911.

The Burroughs expects to broaden its work in every department during 1911 not only that it may sell a greater number of adding machines, but that it may derive the extra profit which naturally follows an increase in efficiency.

Wheat and Corn Exports

Wheat, including flour, exports from the United States and Canada for the week ending February 9th, as reported by telegraph to Bradstreet's, aggregate 2,274,291 bushels, against 2,328,470 bushels last week and 2,408,003 bushels this week last year. For the thirty-two weeks ending February 9th exports are 75,444,277 bushels, against 103,617,044 bushels in the corresponding period last year. Corn exports for the week are 2,541,977 bushels, against 3,368,010 bushels last week and 1,135,908 bushels in 1910. For the thirty-two weeks ending February 9th corn exports are 25,126,130 bushels against 16,406,731 bushels last year.

Death of Aged Banker

Nathan Thompson, reputed to be the oldest bank president in Illinois, is dead at his home at Prophetstown, near Sterling. He was president of the Farmers National Bank of Prophetstown. Mr. Thompson was 87 years old.

MAUSOLEUM



The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

Write for free booklet on "Mausoleums" to

CHAS. G. BLAKE & CO.

The Old and Reliable Makers of Mausoleums and Monuments

782 Woman's Temple (Tel. 115 Main) CHICAGO, ILLINOIS

National Banks To Be Favored Defective Laws

The general opinion in banking circles seems to be that Congressman Payne's bill, authorizing the receipt of certified checks for duties on imports, which passed the house on Tuesday with an amendment making the provision applicable to state banks and trust companies as well as to national institutions, will not be passed in its present form, and that the bill before its final passage by the senate will be changed so as to make only certified checks of national banks acceptable in payment of duties. The bill (H. R. 30,570), as originally introduced on January 6th, contained this limitation as to the character of the banks whose checks may be received by collectors of customs in place of the customs transfers now used in making payments on imports.

As far as the proposed law concerns the payment of internal revenue taxes it may be stated that in New York and other cities internal revenue collectors have for a great many years past accepted certified checks in lieu of cash or customs transfers.

It was pointed out yesterday by an officer of one of the large downtown national banks that strenuous objections would be made to the enactment of the law in its present form, and that the senate would probably eliminate the amendment passed by the house as far as it relates to state banks and trust companies. He stated that because of the supervision which the federal government exercises over national institutions it was desirable to have checks accepted by customs officers limited to those drawn on national banks. Should this limitation be set, the federal authorities could be kept posted by the comptroller of the currency as to the financial condition and general management of the national banks upon which checks are drawn. On the other hand, were the law so framed as to include state banks and trust companies—institutions organized under various state laws—it would be difficult, if at all possible, for the authorities to be in touch with the affairs of these banks. Furthermore, it was pointed out, that not having any jurisdiction over state institutions the federal government could not exercise over them any of its powers of regulation and control.

Representatives of state banks and trust companies who were interviewed yesterday stated that it would not be fair for the government to discriminate against them. They called attention to the fact that the financial condition of some trust companies and state banks in this city was more sound than that of some national institutions.

The banking community in general is favorably disposed towards the proposition of permitting importers and customs brokers to use certified checks in place of customs transfers. The change will make lighter the clerical work done by the banks and will facilitate transactions at the custom house.

Congressman Payne's bill provides that: "It shall be lawful for collectors of customs and of internal revenue to receive for duties on imports and internal taxes certified checks drawn on national banks during such time and under such regulations as the secretary of the treasury may prescribe. No person, however, who may be indebted to the United States on account of duties on imports or internal taxes who shall have tendered a certified check or

checks as provisional payment for such duties or taxes, in accordance with the terms of this act, shall be released from the obligation to make ultimate payment thereof until such certified check so received has been duly paid; and if any such check so received is not duly paid by the bank on which it is drawn and so certifying, the United States shall, in addition to its right to exact payment from the party originally indebted therefor, have a lien for the amount of such check upon all the assets of such bank; and such amount shall be paid out of its assets in preference to any or all other claims whatsoever against said bank, except the necessary costs and expenses of administration and the reimbursement of the United States for the amount expended in the redemption of the circulating notes of such banks."

Loans to Poor

Rev. J. E. Johnson, formerly a banker and now pastor of the St. Paul Methodist church at Waterloo, Iowa, has adopted a unique plan—that of organizing a building and loan company within the church, "to do business for God." The association is capitalized for \$50,000. The object of the association is stated to be: First, to buy, sell, lease and do a general real estate business and the profits are to be used for building a new church; second, to provide a fund from which to loan to the poor and needy and the "down and outers," at a moderate rate of interest and in opposition to the class familiarly known as "loan sharks."

Odd Inscriptions on Money

Assistant Cashier L. G. Bein of the Iowa National at Davenport recently discovered a \$2 silver certificate among the bank's finances. Across the back of it has been written in heavy black ink: "In payment for services rendered. Lucille." This aroused a reminiscent strain in the mind of Mr. Bein, who recalled a tragic inscription once written upon a similar note, as follows: "The last of an ill-spent fortune. Wine, women and song did it all."

Joseph T. Talbert, vice-president of the National City Bank of New York, discussing the loan and discount system of the banks of this country at a dinner in New York, pointed out again how disadvantageously American banks are situated through restrictive legislation in the matter of discounting real commercial paper. As he showed, there is no system of acceptance in this country such as exists everywhere else in the world for drafts upon American importers by Europe. Such drafts invariably go abroad again for acceptance, the banks here being forbidden by law to accept any kind of drafts except those on actual balances.

Active Real Estate Market

Loans to the amount of \$537,000 and three apartment deals representing a total investment of \$330,000 were the chief features of the realty market in Chicago on one day recently. Chas. C. Heisen of Chicago gave a mortgage to the New York Mutual Life Insurance Company of New York for five years at 5 per cent on the Temple Court building, Quincy Street, northeast corner of Dearborn Street. Myrtle C. and Malcolm G. Bruce of Richmond, Va., were associated with Mr. Heisen as owners of the building.

Says Mail Rates Are Low

Charges that the railroads are receiving excessive rates of pay for handling the mails are vigorously denied in a statement by Julius Kruttschnitt, director of maintenance and operation of the Harriman system and chairman of the American Railway Association's committee on railway mail pay. Mr. Kruttschnitt argues for an advance rather than a reduction, holding that the roads are now rendering \$3,000,000 worth of service every year for which they receive no pay.

Increased Railway Earnings

For the fourth week of January the gross earnings of twenty-nine railroads aggregated \$14,310,260, an increase of 268,807, or 1.91 per cent. For the month of January the gross earnings of thirty railroads aggregated \$49,274,541, an increase of \$2,004,987, or 4.24 per cent.

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Rapid Increase of Trade with Non-contiguous Territories

Trade of the United States with its non-contiguous territories aggregated two hundred million dollars in the calendar year 1910, against one hundred million in the calendar year 1903, the first year for which complete statistics of this trade are available. The figures of the Bureau of Statistics, Department of Commerce and Labor, just completed, show the total value of this trade in the year ending December 31, 1910, to be \$202,494,343, and in the year ending December 31, 1903, \$100,107,234, an increase of 100 per cent, while the trade with other parts of the world was increasing about 40 per cent. The territories in question are Alaska, Hawaii, Porto Rico, the Philippines, Guam, Tutuila and the Midway Islands.

The value of the merchandise shipped from the territories in question to the United States in 1910 was \$111,731,031, against \$61,876,756 in 1903. The value of the merchandise shipped from the United States to the non-contiguous territories was \$90,763,312, against \$38,230,478 in 1903. The increase in the period from 1903 to 1910 was thus 82 per cent in the value of merchandise shipped from the territories in question to the United States; and 139 per cent in the value of merchandise shipped from the United States to those territories.

The above figures do not include movements of gold and silver. The value of domestic gold shipped from Alaska to the United States in 1910 was in round terms 15 million dollars, and of foreign gold (presumably from British territory adjacent to Alaska) approximately 3½ million dollars; while the value of domestic gold shipped from Hawaii to the United States in 1910 was about one-half million dollars.

The principal articles forming this trade of more than 200 million dollars between the United States and its non-contiguous territories

are in general terms tropical products sent from those islands to the United States, and fish, copper, and furs from Alaska, while of shipments from the United States to these territories manufacturers and foodstuffs are the principal articles. Sugar and hemp are the principal articles coming from the Philippines, and as already indicated, fish, copper, and furs are the principal articles coming from Alaska. The quantity of sugar sent from Hawaii to the United States in the calendar year 1910 was a little over 1 billion pounds, valued at 39½ million dollars; from Porto Rico 626 million pounds, valued at 26 million dollars; and from the Philippines 218 million pounds, valued at 6½ million dollars. Tobacco is also an article of some importance in the shipments of merchandise from the tropical islands to the United States, amounting to 1½ million dollars of unmanufactured tobacco and a little less than 5 million dollars in value of cigars from Porto Rico; a little less than 2 million dollars worth of cigars, cigarettes and cheroots from the Philippines, and about 9 thousand dollars worth of tobacco from the Hawaiian Islands. Manila hemp from the Philippines in 1910 amounted to about 8 2-3 million dollars in value. Fruits and nuts (chiefly fruits) from Hawaii amounted to 2½ million dollars in value; from Porto Rico a little less than 2 million; and from the Philippines the shipment under this general head (chiefly cocoanut meat, broken, or "copra") amounted to a little over one-half million dollars.

From Alaska the principal articles shipped to the United States were fish, chiefly salmon, to the value of 11½ million dollars; furs, about one half million; copper ore about one-fourth million.

The principal articles shipped to the terri-

ories in question are, as already indicated, manufactures and foodstuffs. To Hawaii the group "cars, carriages, etc." amounts to about 1 million dollars, of which about three-fourths is automobiles; cotton manufactures, nearly 2 million dollars; iron and steel manufactures, 3¾ million; leather and manufactures thereof, more than one-half million; mineral oils, 1½ million; paper, and manufactures thereof one-half million; tobacco manufactures, one-half million; manufactures of wood (chiefly lumber) 1½ million; breadstuffs, 1¾ million, and meats three-fourths of a million.

To Porto Rico the principal articles were cars and carriages, one million dollars in value, of which automobiles formed a little more than one-third; cotton manufactures, 4 1-3 million; iron and steel manufactures, 4½ million; leather and manufactures thereof, over 1 million; mineral oils, one-half million; paper and manufactures thereof, over one-half million; soaps, nearly one-half million; manufactures of silk, one-third of a million; manufactures of wood, 1¾ million; breadstuffs, practically 6 millions dollars, and meats, 3¼ million.

To the Philippines the principle articles shipped were cars and carriages over one-half million dollars in value, of which more than two-thirds was automobiles; cotton manufactures, 4 1-3 million; against 1 2-3 million in 1909; manufactures of iron and steel, 4 million; leather and manufactures thereof, nearly 1 million; paper and manufactures thereof, more than one-half million; manufactures of wood (chiefly lumber) over one-half million; mineral oils over a million; breadstuffs, 1¼ million, and meats one-half million.

To Alaska the principal articles shipped were iron and steel manufactures, 4¼ million dollars in value; wood and manufactures thereof, three-fourths of a million; mineral oils three-fourths of a million; tobacco, one-half million; vegetables ½ million; woolen manufacturers over ½ million; cotton manufactures, over ½ million; explosives, nearly ½ million, eggs nearly ½ million; breadstuffs ¾ million, and meat and dairy products, over 2 million dollars in value.

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Banking Opinion

Business improvement first felt in the west, D. R. Forgan says. New York's idle capital disappointing to bankers. Views on legislation and other topics by various financiers

Improvement in business is more apparent in the West than in the East, according to President David R. Forgan of National City Bank. This accounts for the distinctly better tone of the Chicago money market.

"We have more activity in all lines of business than they are experiencing in New York," said Mr. Forgan to a representative of THE CHICAGO BANKER the fore part of the week. New York bankers are unable to loan their funds, and that explains why their vaults are full of idle money. It is a passing condition, however, for the large companies which will employ capital in construction work or in other avenues of industrial development will soon be ready to start on their season's program. There will be a large and general employment of money as soon as spring opens, and New York must furnish the bulk of it."

Mr. Forgan does not agree with the theory that Eastern banks are purposely building up their reserves in anticipation of possible hard times. He declares they can't help the accumulation of money and would be glad to loan out their extra millions if they could find customers to pay 4 per cent interest.

New York bankers are not expecting trouble. On the contrary, they believe that within sixty days business will be moving at such a pace and in such volume that discount rates will advance at least to a 5 per cent basis. Chicago has been on this level for two weeks or more, and local bankers are coming to believe that the money market may become as active and healthy as it was last fall.

Opposes Reciprocity Treaty

F. Furst, a banker at Adair, Iowa, was in Des Moines last week to use his influence in favor of a resolution before the Iowa legisla-

ture asking congress to defeat the Canadian reciprocity treaty. Mr. Furst owns land in Canada, but he says his loyalty to the farmers of the Middle West is first, and that he cannot see any good for the producers of Iowa in the proposed treaty.

St. Louis Banker Optimistic

A. O. Wilson, vice-president of State National Bank, St. Louis, and an excellent student of monetary conditions, especially in the Southwest, believes that the low level of rates for the present has been reached, and the next change will be an upturn. Speaking of the outlook Mr. Wilson said:

"There has been a gradual betterment in the

inquiry for funds during the last few days, and deposits, it seems to me, have reached the high mark for the present movement. Doubtless general conditions are intrinsically strong and healthy. I believe commerce is right on the verge of big activities, and when started we will have some months rivalling the most prosperous days in the past.

"The railroad situation adjusted satisfactorily and reciprocity and tariff disposed of, the path would be open for a splendid business revival. However even further delays with those two factors can not very much longer hold back the wave. There seems to be restlessness commercially, which must result in expansion.

"Some bankers are disposed to be less optimistic than they should be, but that is because they view the situation through low money rates, which are not good for their specific profits. But this cheap money comes from the great volume now in bank reserves and deposits, but in reality loans are heavy, though this latter fact is not stiffening rates any. With us business has been good, relatively, and I am decidedly inclined to an optimistic view of the general situation."

Aims at Banking Efficiency

Recommendations for legislation intended to add strength and prestige to banking in the state of Washington are made by J. L. Mohundro, state bank examiner, in his report to Governor Hay. He desires legislation which will enlarge the power and efficiency of the state banking department. The features are that \$25,000, fully paid in cash, shall be the minimum capitalization of a bank; that building and loan associations and savings and loan societies be placed under the supervision of the banking department, that only citizens of the

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United States should be permitted to incorporate a bank, and the majority of the board of directors should be citizens of the state; prohibiting a bank from investing its capital or money of its depositors in shares of corporations, and providing when such shares are taken in the collection of debts a time for the disposal of the same; providing that the state examiner settle the affairs of failed banks, and providing for a special deputy to be paid out of the bank's assets while in charge of the failed institution, and that loans to officers and directors, or to institutions in which they are interested, without first having authority by resolution of the board of directors at a meeting for that purpose, be held personally against the officer or officers making the loan.

Grain Men's Bank

In case the reciprocity treaty with Canada is ratified a trust company will be formed and located in Superior for the purpose of providing the funds to handle the grain business there. The new trust company will be backed by a number of Dakota, Minnesota and Superior capitalists. Among the Dakota and Minnesota men interested are several who have extensive agricultural interests and are greatly interested in the grain trade.

The object in forming the trust company is to make it easier for persons engaged in the grain trade to secure the financial accommodations they desire. It is claimed by grain men interested in this move that the banks here are too conservative in regard to making loans to grain men and that better accommodations can be secured in other cities. Reciprocity with Canada will insure the movement of vast quantities of grain through Superior, making such an institution as proposed even more desirable than at present, it is figured.

Looks Like Wm. J. Bryan

President E. C. Walsh of Citizens Trust and Savings Bank, Davenport, looks so much like William J. Bryan that the fact frequently is commented on. Mr. Walsh was calling on Chicago friends Tuesday and while at Western Trust and Savings Bank various persons gazed at him in the belief that he was the Nebraska leader. It can be said for Mr. Walsh that he dresses with better taste than Bryan. He also gives evidence of a more contented frame of mind than the Nebraskan seems to possess. The Davenport banker is a successful business man whose views are in great demand when he comes to Chicago.

Moline Banker in City

William Butterworth, President of Moline Trust & Savings Bank, was a caller at Central Trust Thursday.

The Capital City State Bank, one of the best known Des Moines institutions, last week increased its capital stock from \$100,000 to \$150,000.

Cement Products Exhibition

From February 16th to February 23d the cement products exhibition will be on at the Coliseum. This is one of the most interesting of the industrial shows, and no industry shows such gains year by year. The exhibits embrace many new fields and are very interesting.

Stoughton Fletcher

Report has it that Stoughton Fletcher, head of the big Fletcher American National, of Indianapolis, has organized a syndicate to take over the Remy Electrical Company, of Anderson, Ind. The consideration is said to have been about \$1,000,000, and Carl G. Fisher and James A. Allison, of the Prest-O-Lite Company, are said to be interested, although this has not been confirmed. It is the intention to continue the operation of the plant at Anderson, possibly on a larger scale than ever.

For several years the company has been conducted by B. P. and Frank Remy, brothers, with much success. The company manufactures magnetos and recently brought out a device whereby electric current for lighting automobile lamps is manufactured from the magneto. Last year it is said to have paid 1,150 per cent dividends on its common stock, and the Remys have become millionaires, although they started on a small scale. It is understood a new company will be organized and incorporated soon.

Peoples Gas

The income account of Peoples Gas Company, Chicago, showing a gain of \$969,000 in gross earnings is published. President Knapp in his report to stockholders says:

"During 1910, approximately eighty-four miles of mains were laid in extension of the company's system. The increase in the number of gas meters set was 25,921. Gas stoves installed were 26,199, and arc lamps, 2,926.

"A committee of the city council has been engaged for a considerable period of time on investigating the cost to this company to manufacture and distribute gas, the value of the company's property, etc., as preliminary to fixing the rates to be charged for the ensuing five years. The present net rate of 85 cents per 1,000 cubic feet has been in force since February 1, 1906.

"During 1910, \$3,000,000 of the refunding 5 per cent gold bonds of the company were sold in order to place the company in funds for necessary expenditures made and to be made during 1910 and 1911."

Bankers to See \$5,000,000 Plant

A feature of the Minnesota bankers convention next summer at Bemidji will be a trip to the big paper mills at International Falls. A pulp mill is to be built as part of the \$1,500,000 improvement by the Minneapolis company which operates the business. When the work is finished about \$5,000,000 will have been expended on the American and Canadian sides.

Private Banking

Portland, Ore., February 14.—Lydell Baker in his paper, "The Pacific Banker," has a red-hot editorial on why Washington, Montana and Illinois still tolerate unregulated, unspected private banking. The editorial says:

A paragraph in our Seattle letter this week refers to the fact that the private bankers of the state of Washington are again at Olympia in an effort "not to be regulated." Why the private banks of Washington and Montana should be kept without the operation of the state banking law while the private banks of Oregon and Idaho are brought within its operation, is something we can never understand, except that the former seem to have the votes when the legislature meets. It is wonderful what can be done in politics when concentration is made upon some particular feature. The business in the legislature, as it is in congress, is largely a matter of trading and when a man is elected to the legislature prepared to do anything and everything to keep private bankers from being "regulated," it is wonderful how near just a few such men can come to doing it. In Illinois the matter has approached the dimensions of a great scandal. Charges of corruption are bandied about. Possibly a fund has been raised to ward off legislation and perhaps it has not been used for any illegitimate purposes. But it is a matter of great comment in that state that notwithstanding the most determined efforts on the part of the state bankers association and others interested in the cause of sound banking the private bankers still manage to paralyze the legislative arm. And after looking at the credentials of the gentleman who, as chairman of this committee is apparently holding up this legislation, we give as our opinion, that nothing could be more conducive to an unsound banking situation than a chain of private banks not subject to state inspection.

Following is an extract from the Seattle letter referred to above, and throws a strong sidelight on a very selfish situation.

"News from Olympia is that a determined resistance is being made to the enactment of legislation which places private bankers under the supervision of the state banking department. E. C. Davis of Ephrata, is a member of the senate and is chairman of the committee on banks and banking, having charge of the measure which provides for the supervision. Mr. Davis is associated with the firm of Davis & Bassett, private bankers at Ephrata, and is very pronounced in his opposition to the bill. The legislation is sought by the Washington Bankers Association.

The Commercial Savings of Iowa City is the name of a new bank just granted a charter by the state insurance department which will make the sixth bank for Iowa City. The bank will start business March 1st with a capital of \$50,000. Attorney Henry Negus is president.

Trade is good in Cuba and Americans are furnishing capital liberally.



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Gotham Finances

New York banks continued to increase their deposits during the last week, but in somewhat smaller amount than has been shown in recent statements. The average figures of the clearing house institutions showed a deposit gain of \$10,335,000 for the week, against which was an expansion of \$6,724,000 in the loan account. These changes raised the total deposits to the average statement to \$1,351,000,000, or about \$36,000,000 more than the total loans.

The total cash reserve was swelled \$3,315,000 during the week, but the reserve requirement was enlarged \$2,587,000, owing to the increase in deposits. The addition to the surplus reserve was \$728,600, raising the amount held by the banks in excess of legal reserve requirement to \$36,773,900, which compares with a surplus of \$24,599,125 a year ago and \$10,300,325 two years ago. The total reserve shown in the average statement yesterday was equivalent to 27.72 per cent of the net deposits.

The following explanation of the financial situation in New York is given by a banking authority.

"Every dollar that can be lent on call at 2½ per cent has been and is being put out. Every unimpeachable mercantile bill offered is accepted on a 4 per cent basis. The amount of discounts carried is to-day about the largest on record. No money is being loaned on call below 2½ per cent, and no paper is accepted under 4 per cent, since these quotations are held to be strictly reasonable. To break them, it is claimed, would serve no useful purpose. The strongest institutions have sufficient faith in the outlook to believe firmly that money is worth the rates adhered to by them and that the near future will probably bring sufficient prosperity to cause an advance in interest and discount rates."

The foregoing will be regarded by those in closest touch with affairs as more than ordinarily interesting. It had been feared that the piling up of cash by certain very influential interests could be construed only as meaning that they were preparing for an upheaval. This deduction, it can be here stated without equivocation, is altogether unjustified. The cash reserve of \$63,500,000 now held by the National City Bank, for example, has been brought about by the conditions already outlined. This institution never lends on call above 6 per cent no matter how high the quotation may go on

the Stock Exchange. On memorable occasions lending at the 6 per cent maximum by the City Bank has done a great deal to stem apprehensions. Having fixed this rate as the maximum, it is not so very extraordinary that a minimum should also be named. A 4 per cent charge for negotiating mercantile paper is certainly by no means abnormal. Indeed, to do business on a lower basis either in the call money or commercial paper market might easily foster unhealthy speculation and injudicious business ventures, to say nothing of the effect absurdly low rates would have upon bankers' profits.

Murmurs of complaint have been heard that high grade commercial bills cannot be placed with the largest institutions below 4 per cent. It has been freely hinted that there appeared to be some sort of understanding among the principal buyers not to compete for bills under this figure. An international banker not directly interested in the controversy put the situation lucidly. "Merchants and other drawers of bills," he said, "may have some justification for contending that the biggest banks and trust companies will not do any discounting under 4 per cent. But to my mind this minimum charge is very reasonable—very reasonable indeed. A mercantile establishment usually counts upon having to pay 6 per cent for its facilities. Therefore, it is no hardship to get money at 4 per cent. With six months' collateral loans on a basis of 3¾ per cent surely ¼ of 1 per cent more is very low for even the best of bills."

Guaranty Beaten

Pierre, S. D., February 15.—Bank guaranty under the Kansas plan went down to defeat in the house after a lengthy discussion in which one of the old time Kansans who is a member said that its being copied from a Kansas act did not appeal to him, as that state always went to extremes in one direction or the other, and its acts might or might not be good.

Costly Public Buildings Coming

Trustees of Field Museum of Natural History plan a \$5,000,000 structure in Jackson Park, the supreme court deciding against location of any building on Lake front in Grant Park. A new block in the business district is likely to accommodate John Crerar library for the same reason.

Crop Expert's Idea

John Inglis, crop expert, takes an optimistic view of the proposed reciprocity measure. In part he says: "If farmers will take a broad view of the proposal, especially that which relates to free wheat, they would be the gainers. For a generation to come there is no prospect of our becoming importers, but we will continue to export. It is only pessimism that would lead one to believe that we are about to arrive at a condition where domestic consumption will dictate prices. So long as we have a wheat surplus, Canada, with a crop of 150,000,000 bushels, will be a potent factor in making values. It is the exporting countries that finally set the world's prices. This is most clearly proved by the course of the markets at the present time. Russia, Argentina, Australia and Canada, all exporting countries, are making the world's market for the present. None can doubt but that we have also an exportable surplus, but those other countries are willing to dispose of their supplies while there is a demand. We, presuming to dictate the price, are left behind, and unless the next crop falls far short of an average the farmers will realize the absurdity of trying to force the world's markets. Depression in prices, should we have an average crop this year, will awaken them to a knowledge of the futility of holding reserves while other countries are marketing. The Canadian surplus is forced upon the market at an early date. Should we allow it to come in free we have the capital to finance it and ample storage room; our vessels and railroads would handle it, the millers would blend it with our softer varieties and enhance their prices; we would secure an export flour trade which we have lost, and farmers would learn, in time, that we, with an average crop of 650,000,000 bushels, would not have the price lowered by Canadian production. Prices would be equalized and, with Canada and the United States joined by reciprocity, there would be a mutual power in having a stronger position in the foreign markets. By stimulating our flouring industry by securing more of the northern wheats, we could command the attention of the world's market. If we fail to recognize this, Canada will continue, as she increases her production, not only to lower the general price of our wheat, but will take away from us the last remnant of our export trade in flour."

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Railway Problem

Henry A. Blair, financial head of the Chicago Railways Company, returned to the city Monday from New York, where he had been for the last two weeks endeavoring to bring about a merger of the elevated railroads. While nothing of definite nature has been accomplished, Mr. Blair said the situation looked more hopeful than it has been up to this time.

"We have made some progress," he said, "and that is about all I can say at this time. I expect to return to New York about the end of this week to continue the negotiations.

"It is a big project, and I do not expect that it can be brought about in a week or a month, probably not in a year.

"Every one concerned is agreed that a merger of all the transportation lines is desirable, but when some one attempts to bring it about there are always some 'knockers' who get busy. I do not feel discouraged, however, and I still believe that the plans worked out last July will go through. Outside capital seeking investment in Chicago certainly does not meet with much encouragement, and the eastern men are about tired of us."

Judge Grosscup has demanded a settlement of Chicago & Milwaukee Electric affairs before March 15th under penalty of an additional receiver to force settlement. Judge Grosscup says:

"The whole future of the road as a useful and profitable public utility depends on immediate reorganization. Speed entrance into Chicago may require preliminary negotiations now which would be impossible under divided receivership; therefore I shall appoint a single operating receiver, although present receivers would remain as advisers."

The road's financing will require \$1,250,000 to lift the receivers' certificates with which the road was completed, together with outstanding car trust certificates and judgment liens; about \$1,750,000 will be needed to rebuild temporary bridges, rehabilitate lines, settle debts and meet various municipal ordinance obligations.

The Mystery of Golf, by Haultain

Perhaps no sport ever appealed to bankers so generally as golf. No class has been benefited so much by the outings which this enticing game affords. Now comes "The Mystery of Golf," the very book the busy money

changers have been looking for. It is by Arnold Haultain, published by the Macmillan Company, New York. This is the second enlarged and revised edition of Mr. Haultain's apologia for the game.

Whether considered as a clever tour de force or as a sincere attempt at scientific analysis, the book amply justifies itself. In no other game, contends Mr. Haultain, are the physiological, the psychological and the moral elements so intimately combined or so constantly brought into play. His attempt to unravel these elements is an impressive and really illuminating one. To the hesitating reader, uncertain whether the book is meant for him, the attractive page with its large, clear type is especially inviting. There are some illuminating diagrams to help clear up "the mystery." \$1.75 net.

Guides to the Country Home

At this season of the year there is much searching of seed, flower and tree catalogues for those who would improve their country homes or their city door-yards. The Outing Publishing Co., has issued made to order a practical little volume which tells the prospective purchaser or owner of a country place in plain terms just what he ought to know about the house, the grounds, and all their details. It is designed especially to show how profit as well as pleasure may be derived from the country home. The book is "A Guide to the Country Home" by Edward K. Parkinson, and is fully illustrated with actual photographs and with building plans. It tells in a practical way just what tools, stock and supplies one will need for the country place and how to make crops and care for them. It is a safe, sane and simple guide to the simple life, a back-to-the-soil missionary.

The Outing Co. also issues "Wilderness Homes" which will appeal strongly to all who are contemplating a home in the woods. It is both inspirational, breathing the peace of the forest, and practical. It tells how the amateur can build his own summer home at a minimum of expense, and the best way to go about it. No detail is omitted. Many plans and specifications are given. Illustrated with half-tones from photographs of log cabins and with numerous sketches by the author it is a practical guide and hand-book to modern woodcraft. Log cabin architecture is made interesting. The author is Oliver Kemp, an authority. The beautiful little volumes are but one dollar and one dollar and a quarter respectively.

Slump in Wheat

Wheat has made a new record on the down turn this week, May going to 91 and July to 90 on Wednesday.

It was noticeable that professional speculators were buying on the break and the market recovered about 1 cent before the close of the session.

For several days the bears had almost complete control of the market. The depression was sufficient to cause a cut of 20 cents a barrel in flour.

Reciprocity, with a common level for Canadian and United States wheat, was accepted by the grain trade as a strong probability. It precipitated liquidation in this market such as was experienced previously in the markets of the Northwest. The liquidation, started by the reciprocity talk, was carried along by a number of other influences that were more or less depressing.

The French minister of agriculture's declaration in favor of a retention of the import duty on wheat was in line with the trade advices indicating that French speculators had overbought. This, and the daily reports of good crop outlook in Europe and free sales by Australia, Russia and India, did not give any hope of ultimate export demand for the American surplus.

Corn has felt some of the sympathetic effects of a weakening of the wheat market, but has also developed a few troubles of its own. The effects of the flurry following the crop losses in Argentina have lately worn off, the reaction from the over estimating of its influence on the markets of Europe has set in and the trade is confronting the prospect of a very large supply of all kinds of grain to be met by a very indifferent demand.

Europe overbought during its first scare over the Argentine losses and now takes corn only in small lots at bargain counter prices. Cut prices are made because of the lack of storage room at many points and perhaps because of the widespread belief West that corn will grade high at the seaboard. The time is near when the gulf ports will begin to refuse to handle corn for export, thus leaving the trade in the hands of the Atlantic seaboard dealers. Many of these are already well loaded with corn and are in no position to support values strenuously despite their desire to do so.

Corn has sold down to 48 cents for the May option in this market.

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We particularly desire the accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and we wish to serve you

Pittsburgh

N. W. Halsey & Co., bankers, of New York, Philadelphia, Chicago and San Francisco are now represented in Pittsburgh by E. C. Olds.

The Peoples Bank of McKeesport, of which Enoch W. Pitts is president, has taken over the Merchants Bank of McKeesport and the latter institution will be liquidated, the result of a lack of sufficient business.

J. D. Ayres, vice-president of the Bank of Pittsburgh, National Association, has returned from Chicago. He reports money conditions easy in that city.

President Harrison Nesbit, of the Bank of Pittsburgh, and H. M. Breckenridge, a director, returned recently from a hunting trip in Alabama.

The annual meeting and dinner of Group Eight, Pennsylvania Bankers Association, will be held on the evening of February 21st at the Ft. Pitt hotel, instead of on Washington's birthday, as heretofore. The business meeting will be held first, a feature of which will be a paper by Cashier A. D. Swift, of the Elk County National Bank of Ridgway on "Burglary and Time Lock Insurance."

At the dinner Henry A. Williams, national bank examiner for the Pittsburgh district will be toastmaster and the speakers will include, Thomas E. Powell, Columbus, O.; Polk Miller, Richmond, Va.; and Strickland W. Gilliland, of Chicago.

The majority of the open-hearth steel plants in the general Pittsburgh district have suddenly come into the market for steel scrap, with the result that the market has become highly excited and dealers are predicting a large advance, on the ground that the floating supply of scrap is entirely inadequate to meet the prospective requirements, while the yard scrap cannot come out except upon a material advance in the market.

A large steel interest in western Pennsylvania just east of Pittsburgh, which has not hitherto bought much outside material, has taken upwards of 10,000 tons of heavy melting steel and bundled sheet scrap, from two Pittsburgh dealers. At least two steel mills are mentioned as ready to take individual lots up to tens of thousands of tons, while other steel mills are ready to take smaller lots.

Heavy melting steel was quotable at \$13.50 to \$14, delivered Pittsburgh, at the beginning of

last week, but this week has sold at \$14.25 and dealers would not sell large lots at less than \$14.75 or \$15, while predictions are freely made that the demand will force the price up to about \$16, when large tonnages stored in dealers' yards will begin coming out.



Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequaled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

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Philadelphia

E. E. Lindemuth, president of the Clearfield Trust Company, and one of the best known bankers of the state, and especially of the central portion, has resigned to become a vice-president of the Western National Bank of Philadelphia, an active executive position.

The Textile National Bank of Philadelphia recently raised its dividend from 5 to 6 per cent per annum, by the declaration of a 3 per cent semiannual disbursement, compared with 2½ per cent previously. An addition of \$10,000 was made to surplus, making that account \$90,000.

That Philadelphia business enterprises have had a prosperous year is shown by the fact that the banks of the city handled a larger volume of clearings than ever before. For the year ended December 3, 1910, the total clearings were \$7,689,664,085, compared with \$7,021,756,889 in 1909. The previous high record was in 1906, when the clearings reached a total of \$7,686,966,980.

The third annual entertainment of the Philadelphia Chapter, American Institute of Banking, was held in the Drexel Institute Auditorium January 25th. All the members on the program were furnished by the combined Glee, Banjo and Mandolin clubs of the University of Pennsylvania. This organization has an enviable reputation.

At commencement of business January 19th the Philadelphia National Bank reported loans of \$30,496,000; cash and reserve, \$9,840,000; exchanges for clearing house, \$1,956,000; due from banks \$8,336,000; deposits, \$45,718,000.

Bank Clerk is Sentenced

Watertown, N. Y., February 15.—Carl H. Rohr, the 26-year-old bank clerk who defaulted with about \$30,000 of the funds of the National Union Bank of this city, pleaded guilty in the county court and was sent to Elmira reformatory. Rohr fled from here to Washington, and thence to Seattle, Wash., where he was captured.

Chosen Bank Director

W. T. Bland, president of the McPike Drug Company, of Kansas City, has been elected a director in the Commerce Trust Company to succeed the late D. J. Dean. J. A. Carpenter has been elected to the directorate of the Fidelity Trust.

Congressman Littleton to Chicago Bankers Club

"Give the corporations the same 'square deal' given the farm."

The profits from both in the whole United States are about the same—\$3,000,000,000—said Martin W. Littleton of New York at the monthly banquet of the Chicago Bankers club on Monday night at the new Hotel Sherman. He said the country needs the adoption of permanent laws in order that business may become settled and prosper more.

Mr. Littleton, who is a congressman-elect, also urged that the tariff on foods and apparel be removed at once, "even if it must be done blindly." All party affiliation, he said, should be thrown aside in giving the necessities of life entry into this country at less exorbitant duties.

Favors Tariff Commission

On the other hand, he said, he favored President Taft's idea of tariff commission, and he said he thought the tariff on all commodities, besides food and clothes, should be given a most careful consideration and changes made only with great caution.

"When I enter the halls of congress," he said, "I will oppose with all my strength tariff on those articles which the people need for food consumption and to wear. Honest men of all parties who correctly interpret conditions as they exist must do the same thing. If necessary the removal of tariff from these commodities must be secured by a blind and unreasoning championship of that idea.

Believes in Protection

"But once that is done, I take a different position with regard to the tariff question. Concerning the tariff on all other commodities I believe with President Taft that we should go ahead cautiously and slowly. I believe in the formation of a tariff commission to study the conditions and to provide us with data which go into the last analysis of things before we make any change. I believe in the protection of the great industries which have made this country one of the greatest industrial centers in the world.

"The great corporations, and the industrial activity, which have become so great within ten years, must be taken care of in a proper way. They have been invited to cluster around the tariff laws as we have them. They should not be shattered by one fell swoop, they should not be ruined by one big blow, which would be the case if you attempted to remove the tariff on everything all at once.

Assails Anti-Trust Act

"The Sherman anti-trust law is wrong. It was enacted at a time when no one dreamed there would be as many as 262,000 corporations in this country with an annual net profit of \$3,000,000,000. Some time ago there came a time when the people of the world were attracted to the spectacle of the great corporations organizing and controlling everything industrially in this country. Then came the idea that soon there would be a test as to whether this nation or the great business institutions were to rule.

"Then this antiquated Sherman anti-trust law was dug up and it was put in force. It is being put in force now. But it is radically wrong. I tell you, gentlemen, there must be a calm and a careful consideration of tariff conditions before we make any changes. The business men of this country are willing and glad to play the game by the rules, but they want to know what the rules are and that they will not be changed in the middle of the game.

Has Confidence in Business Men

"I believe that to-day the capacity to understand and the courage to express ideas formed after mature deliberation make the great men

of the nation. The majority of the big business men of the nation I believe to have the interests of the country largely at heart. But they do wish to know what the rules of the game are.

"They cannot be censured for opposing a sudden slashing of the tariff. For years they have been encouraged and coaxed to build up their business interests around this tariff.

"No man believes in oppression and monopoly. No man believes in extortion by means of combination. The great corporation is the most remarkably resourceful thing on earth. I do not think any agency exists which serves better to spread values over the face of the country.

Shows Conditions on Farms

"To-day we have in this country two conditions. We have the farms giving a gross income of \$8,000,000,000. If the expenses of production are taken away, you will find the profit from the farms and from the corporations is about the same.

"Here we have individualism over against collectivism. I believe in centralized industry. Any law that destroys it is wrong. You see the genius of men represented in labor-saving machinery. You see the genius of the greatest minds of the country in these great organizations.

"The government must attack those who do wrong. It as loyally should support those who strive to do right.

"Dishonesty must be taken from within and oppression from without the great corporation. Then the great industrial activity of the nation shall stride forward, bringing to the nation a distribution of values not possible without combination."

Congressman-elect Littleton also attended a luncheon at the LaSalle Hotel in the afternoon. Leroy A. Goddard, president of the State Bank of Chicago, presided at the bankers banquet.

Tenancy Evils

Bloomington, Ill., February 15.—Miss Mabel Carney, head of the rural school department of the State Normal School in an address here before a state meeting for the organization of an Illinois federation to work for farming and country life improvement, declared that tenancy is killing the social and co-operative spirit of farming communities. She declared three-fifths of the farms in the state are in the hands of tenants, that the school is no longer the force it once was and that the church is poorly attended and still more poorly supported.

Her remedy for this condition is a large consolidation school in each township, with extra rooms or separate buildings in which books, bulletins, crop reports and agricultural data may be kept available for the use of farmers and their wives. With these quarters as a foundation she would organize farmers' institutes and farmers' clubs for social, educational and economic purposes with a secretary to direct the work.

Steel Orders Are Increasing

Unfilled orders on the books of the United States Steel Corporation increased 436,162 tons in January. The tonnage report issued yesterday showed that the orders on the books January 31st called for 3,110,919 tons of material. This compares with orders for 2,674,757 tons on the books at the end of December. The gain is in line with the recent statements of Judge Gary concerning the increasing activity in the steel trade.

Postal Savings

Pekin, Ill., February 15.—The Pekin postal savings bank continues to do a good business and instructions printed in the Greek, German, Hungarian and Italian languages, which are expected next week, undoubtedly will increase the deposits.

An order received here to-day formally appointed the three national banks of this city depositories for funds of the postal bank. As security each bank is required to deposit \$5,000 in government bonds with the treasurer of the United States.

Philadelphia, February 15.—In a report made to Group Two of the Pennsylvania State Bankers Association in session here to-day, B. N. Marlin, a bank official of Du Bois, Pa., declared that the majority of deposits received by the government postal savings banks thus far have come "from people who have not patronized any bank and children."

Mr. Marlin, in his report, also said that a few of the depositors were "that class of persons who are entirely governed by a senseless fear of any and all of our regular banks."

A branch of the postal savings bank is located in Du Bois, and Mr. Marlin, referring to that city, said:

"So far as the three banks here are concerned I can safely say that no effect whatever has been discernible in the volume of business. Very few foreigners have thus far availed themselves of the privilege offered by the postal bank in this section, and in my opinion the restrictions thrown around the postal operation will prevent any considerable number from patronizing the government institution."

Capital Stock must be Kept Up

According to the decision of the Court of Appeals of Kentucky in the case of Corbin Banking Company vs. Mitchell et al., every stockholder in a bank in that state takes his stock with the understanding that the capital stock must not be permitted to become impaired, and that if that should happen the secretary of state may require the directors to make an assessment upon the stockholders in such sum as is in his judgment necessary to restore it. In the case before the court it appeared that the secretary of state directed the appellant bank to assess its stockholders to make good an impairment of its capital stock, and the bank brought suit against one of the appellees who owned a certificate of stock and another who held it as collateral, but who had paid no attention to the notice of the bank for the par value of the stock.

Canada Answers England

Canada's minister of finance, W. S. Fielding, sprung a sensation when he gave out the text of a cablegram which he sent to Lord Strathcona, Canadian high commissioner in London. It is intended to give notice to the British opponents of the reciprocity agreement with the United States that they are arguing from false premises. The text of the cablegram follows:

"It is evident that some British journalists and public men have received entirely erroneous impressions concerning the reciprocity agreement. Reciprocity trade relations with the United States have been the policy of all parties in Canada for generations. Many efforts have been made to secure a treaty but without success. Sir John Macdonald's national policy tariff 1879, contains a standing offer of reciprocity with the states covering a large portion of the products included in the present agreement."

One hundred farmers hold stock in a new bank at Huntington, Ind.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Special Education for Bankers

The necessity for broad specialization in financial matters has had increasing recognition in the financial district of recent years as is evidenced by the success of the recently established Finance Forum of the Young Men's Christian Association in New York and before that by the general advantage taken of the educational facilities offered by the American Institute of Bank Clerks. More recently still the big bond houses of the East have been at pains to see that their salesmen are fully equipped not only with statistical knowledge of the properties whose securities it is their business to market, but with the broad general knowledge which enlists interest and develops conviction. It has been the practice among many of the leading banking houses which specialize in the distribution of bonds to hold classes or office lectures at frequent intervals, and in some houses an hour every day is set aside for instructive discussion.

A new development of the educational idea was started last week, however, by three houses which are the managers of a syndicate which has underwritten a \$9,000,000 bond issue of the Consolidation Coal Company. The properties of the company are so large and cover so much scattered territory that it was deemed impracticable to take the salesmen who are to handle the issue on a tour of inspection such as is commonly made when an underwriting syndicate is formed. As a more practical substitute the three houses combined force and engaged experts in coal and mining as well as men in practical touch with the property to lecture to their men.

The course of lectures was started on Monday by Dr. John J. Stevenson of New York University on the "Geology of Coal." On the same day Joseph Daniels, Assistant Professor of Mining Engineering of Lehigh University, spoke on the "Methods of Mining Coal," and completed his address on Tuesday, after which Frank Haas, Consulting Engineer of the Consolidation Coal Company, explained the plants and properties of the company he is with. The lecturers were assisted by a series of stereopticon views, covering the subjects thoroughly. These lectures, which were given in the building owned by Redmond & Co., 33 Pine Street, were very instructive to the bond salesmen and will help them greatly in disposing of this issue of bonds.

While it is, of course, impossible for a bond salesman to become familiar with the multiplicity of issues which are in demand by the investing customers of his house, it is of prime importance that he should be thoroughly posted on the properties in whose securities his firm specializes. In the case of public service and industrial bonds it is often the case that small issues are taken in their entirety by one house which then becomes the specialist in this security and is the chief source of information about the concern's affairs. Before undertaking the financing of a street railway, gas or electric company or an industrial enterprise, the banker of the syndicate makes usually as thorough an investigation of the property as would a real estate investor. Engineers make full reports on plant and property, lawyers look into titles and franchises and in the case of industrials, careful measure is taken of the possibilities of the market for the concern's product. In such

cases the bankers often become more thoroughly posted about the affairs of a concern they are supplying funds to than its own executive officers and it is this knowledge that a property has been carefully investigated coupled, of course, with the individual reputation of the bankers floating the securities, which constitutes the chief safeguard of the investing public.

Tacoma Chapter's Good Work

Tacoma chapter's educational work seems to be on a firm footing from the general showing made so far this winter. The course in economics is drawing out about twenty per cent of the chapter membership three nights a month, and each meeting shows more of a tendency towards lively discussing of the subject treated upon during the evening. The lectures are in charge of Attorney Gordan, one of the younger leading lawyers in the city. Mr. Gordan is a University of Illinois man who graduated with the class of 1901, afterwards taking a post-graduate course in economics.

The second of the regular monthly meetings which have been held under the auspices of one



VIRGIL W. FELL
Member of Tacoma Chapter A. I. B.
Connected with Bank of California, Tacoma, Washington

of the banks was successfully carried out on the evening of the seventh, and was known as Fidelity Trust Company night. After the regular business of the evening had been disposed of P. C. Kauffman, vice-president of the Fidelity and secretary of the Washington Bankers Association, addressed the meeting under the caption "The Daybreak of Sound Currency." Mr. Kauffman traced the currency problem of our nation from the time of the Civil War down to the present time, stating that some light now seemed to be breaking on the subject.

Attorney Herbert S. Griggs followed this able speaker with a jocular talk on "The Side of the Borrower."

Bank Clerks and Sport

Some hundreds of young men, each of whom knows a bank, assembled recently at the I. O. O. F. Hall, Elizabeth Street, Sydney, Australia, when a smoking concert, arranged by the promoters of what may be regarded as the latest combine in Sydney, was held. The Sydney banks in combination had held their first sports meeting in the afternoon at the Sydney Cricket ground, and the prizes gained there were presented at this concert, at which Russell French presided. A fine musical program of vocal and instrumental numbers was carried out, and the chairman, before handing the prizes to the successful contestants, delivered a congratulatory address.

Mr. French said he had received a communication from the general committee, conveying their thanks to the banks and individual officers who had donated towards the movement, and expressing their appreciation of the services rendered at the initial meetings by O. C. Williams, of the Bank of Australasia, and Mr. Southerden, of the Bank of New South Wales. The committee at its last meeting carried a proposal that a shilling subscription be started throughout the banks, in order to present a silver shield or shields for the championship tennis events, such shields to have the winners' names inscribed thereon, and to be held by the winning bank for that year only, and thereafter to be competed for year by year. For a long time past sports meetings had been held by individual banks, but this was the first occasion on which all banks had combined in one sports meeting and he thought they would agree with him that it was a very happy thing that such a combination should have been effected. Australians were a sporting people, and he thought that bank officers had shown that they were able to take their part, ably and well, in the sports of the country. They must recognize that cricket was the leading sport of Australia, and from no other profession had so many leading cricketers been drawn as from the profession of banking. They should all welcome such meetings as the one they had held that day, because they exercised a beneficial influence on our banks. The occupation of the young officer of a bank was inside the office, but outside the office he could exercise his muscles in a way that would be beneficial to him when he grew up. When he was a young man they had to get their exercise as best they could—but they got it. He had only to add a word as to the importance of maintaining an esprit de corps and true comradeship among the officers. This was essential, and nothing was more calculated to promote this than the holding of combined sports meetings, such as the one they had held so successfully that day.

North Dakota Bank Pays Well

The Golden Valley State Bank of Beach, N. D., had net earning in 1910 of 184 per cent, and a dividend of 100 per cent has just been declared by the directors, who also increased the capitalization from \$10,000 to \$25,000. The increase of capital and dividend was declared from the undivided profits. After charging off \$5,100 for banking house, furniture and fixtures, \$1,000 was placed in the surplus fund, still leaving \$2,000 in the undivided profits account.

Editorial Comment

Clearing Houses Win Important Victory

The clearing houses of the country have won a quiet victory over the U. S. district-attorney at New Orleans, who had brought suit charging that the fixing of uniform rates for collection of out-of-town items was done in violation of the Sherman anti-trust law. There was a menace in the proceeding to an important and valued function of every clearing organization in the country. So important was the matter deemed that the American Bankers Association had its general counsel, Thomas B. Paton, enter his appearance in the case. So able was the plea which he filed that the case was dropped on the showing made. Mr. Paton contended that clearing house rules fixing the minimum charges for the collection of out-of-town items do not violate the anti-trust act, and quoted the provision of Section 1 of the anti-trust act that "every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several states, or with foreign nations, is hereby declared to be illegal. Every person who shall make any such contract or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanor," etc. And after reviewing the facts in connection with the situation at New Orleans and urging that in any event the question should not be tested in the first instance by criminal prosecution, he refers to the decision of the United States Supreme Court in the live stock cases (Hopkins vs. U. S.) After arguing the Hopkins case at length and quoting many other cases, Mr. Paton concludes that the Hopkins case, it is seen, has been recognized as establishing the principle that contracts which have only an indirect relation to interstate commerce are not within the Sherman act and that an agreement between the commission merchants of a city fixing minimum charges for services in selling cattle shipped to them from other states and sold for shipment to other states has only an indirect bearing on such commerce and is not a violation of the anti-trust act. With much stronger reason, therefore, is an agreement between the banks of a city fixing a minimum charge for services in collecting out-of-town paper not within the act. The subject of the agreement here is still more remote from interstate commerce. It is not a charge for services in selling an article of commerce—which charge itself has only an indirect relation to commerce—but a charge for collecting payment of negotiable instruments which, by decision of the Supreme Court of the United States, equally with contracts of insurance are not subjects of commerce nor transactions of commerce, but at most mere instrumentalities or incidents thereof.

We learn that after reading Mr. Paton's brief the U. S. attorney-general advised the U. S. district-attorney at New Orleans to drop further proceedings.

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

Progress of Postal Banks

Postmaster-General Hitchcock officially pronounces the new postal bank system a success. "If the necessary appropriation were had I would establish postal savings banks to-morrow in 500 additional cities and towns," he recently declared. Under the law of 1910 only forty-eight postal banks were created. The purpose was to begin on a small scale, and gradually feel the way forward if the system proved successful.

In the few weeks in which it has been in operation the system has pleased the heads of the post office department. The total deposits in the forty-eight banks in January amounted to \$60,000. As small towns were selected in every case for the experiment this exhibit is encouraging, as a beginning. February is expected to make a better showing.

It was noticed that a large majority of the depositors in January were aliens. They were persons who saw this system in operation at home, and they were prompt to utilize it here. They were and are a little distrustful of the ordinary banks, but they have profound faith in the honesty and the solvency of the national government. As the greater part of the \$60,000 deposited in January is money which otherwise might have been sent abroad for deposit, these banks may help to increase the amount of available capital for the United States.



Justice to National Banks

That feature of the Aldrich monetary plan which aims to correct an injustice under which national banks have labored is meeting with almost universal commendation. The national banking system has suffered in recent years because of the rigidity of the federal banking laws as compared with the banking and trust company laws of the several states. The Aldrich plan, without reducing the requirements for capital and reserve, contemplates the restoration of the balance and the rehabilitation of the national banking system by allowing certain classes of national banks to open saving departments and to lend upon real estate, other classes to conduct business in foreign countries and still others to exercise the functions of trust companies under proper restrictions.



Europeans have bought \$25,000,000 of American railway securities in one week.

Financiers in Public Life

Paul D. Cravath recently made a somewhat unique address before the Finance Forum on the relationship of financiers to public life. Mr. Cravath pointed out that reckless criticism, unjust conclusions and the prejudice aroused by political demagogues have kept many able men out of public affairs.

The fact is strikingly evident that incompetent men frequently are elected to office and called on to deal with questions of great importance, while those who have special fitness are excluded from public service through prejudice and political passion. This prejudice is most commonly manifested against men of great wealth. Mr. Cravath makes the telling point that the nation is thus wrongfully deprived of services which would be of the highest value.

To some extent THE CHICAGO BANKER indorses the argument of the address. The American people owe it to themselves to decide dispassionately and fairly between candidates. A man should not be excluded from office simply because he is wealthy or connected with a large corporation. No more should anyone be caught up in a wild hurrah and elected to an important place merely on account of his capacity for criticism.

The demagogue is the most dangerous man in our public affairs and few wealthy men are demagogues. Under this head are classed the many sham reformers who nauseate intelligent people with their ebullitions. On the other hand there are many corporation men whose methods of making money deserve condemnation. It is easy, however, to pick out any number of high-minded business men who have shown splendid attainments in their private affairs and who would be helpful in public life were the American people fair in such matters.

The conditions complained of did not obtain in this country fifty years ago, nor do they prevail now in leading European nations. Take England, for example, where, notwithstanding the present tendencies in the direction of socialism, the government, whatever party may be in power, is sure to be in close touch with, and to a large extent guided by, those men who through their inherited or acquired wealth, represent the industrial and financial strength of the nation. In matters of governmental finance the great financiers are openly consulted, as they should be.



Mr. Teter Heads Important Society

Lucius Teter, who has been elected president of the Infant Welfare Society of Chicago, is one of the most successful young bankers of the city. He was born in Indiana in 1873 and came to Chicago in 1892. He first became connected with the Continental National and the American Trust and Savings banks, later going to the Chicago Savings Bank and Trust Company. In 1908 he became president of the last named concern.

Service

¶ A particular phase of our service is the fact that we have each Department under the direct supervision of an officer. We believe in specialization for the best results.

Collection Department

- ¶ This Department, under the supervision of an officer, consists of a manager, five clerks and fifteen messengers.
- ¶ Having the largest list of correspondents of any bank in the Northwest gives us exceptional facilities for handling out-of-town collections.
- ¶ Special attention given to Minneapolis grain drafts received from correspondents. These are collected and checks given in payment are put through the Clearing House the same day items are received.
- ¶ All matters entrusted to our care are handled as directly and expeditiously as possible.

THE NORTHWESTERN NATIONAL BANK

Minneapolis, Minnesota

The Bank of Security and Service.

THE MINNESOTA LOAN & TRUST CO. IS AFFILIATED WITH THIS BANK

Combined Capital, Surplus and Profits, \$6,500,000

Combined Resources, \$32,600,000

Our list of High Grade Bonds for Investment will be forwarded upon application

Convention Dates

1911

VERMONT—Brandon, February 22; Secretary, Fred C. Spencer, Rutland.

SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

Rises to Bank Presidency

The steady advancement of A. L. Darrow through the various banking grades to the position of president of Fort Sutter National of Sacramento, Cal., is gratifying evidence of his ability and character. Mr. Darrow was born January 23, 1865, at Marietta, Ohio. He left the Marietta High School to work for a living at the age of fifteen; was employed by Star Oil Company in Buffalo, N. Y., 1881; Standard Oil Co., Milwaukee, 1882; Roundy-Peckam & Co., Wholesale Grocers, Milwaukee, 1883 to 1885; Goodyear Rubber Co., and Standard Oil Co., St. Paul, 1885 to 1892; Standard Oil Co., Mankato, 1893; Manager Standard Oil Co., San Diego, Cal., 1895 to 1900; Manager Exchange Department, Western National Bank, San

Francisco, and from there went to Sacramento November 10, 1904 to organize the Fort Sutter National Bank of Sacramento and become its cashier and manager. Later he was elected vice-president and at the last annual meeting president of same bank.

During the past few years he has organized the Roseville Banking & Trust Co., Roseville, Cal., Sacramento Valley Trust Co., Sacramento, and is also president of the Bank of Anderson, Anderson, Cal.

The growth of Fort Sutter National is one



A. L. DARROW

President Fort Sutter National Bank, Sacramento, California

of the most phenomenal in the state of California. It commenced July 1, 1905, with \$108,000 deposits; passed the million mark in 1907 and the two million mark in 1910. At the present time it has over 5,700 depositors.

Cut Out Politics

Representative Karl Johnson of Mitchell county, Iowa, a well-known banker at Osage believes that the business of a county should be conducted in a manner as businesslike as that of any banking institution. He believes there is no reason why the same care and economy should not prevail in county affairs as in the financial dealings of a bank. He points out that deputies in the county offices are selected because of political preference rather than ability. His idea would be to have one man at the head and permit him to select the men to assist him or leave that to the supervisors. Civil service rules might govern, but at any rate the selection should be in a businesslike manner.

Bank Robbers Escape

Frank Loftus and William Forbes, two of four burglars under long sentences for blowing banks at White and Bushnell, South Dakota, escaped from the Brookings county jail Wednesday night.

Men on the outside sawed the lock off the steel bar door over a window and opened the cell door.

Loftus, who was released from the South Dakota penitentiary on October 3d, was to have been taken back to serve eight years and nine months. Forbes was sentenced to five years and one month.

We solicit accounts of banks and bankers and offer them our complete facilities for the handling of their out-of-town items



Capital
\$2,000,000
—
Surplus
\$2,000,000
—
Deposits
\$33,000,000

C. H. HUTTIG, President

W. B. WELLS, Vice-Pres.

J. R. COOKE, Asst. Cash.

R. S. HAWES, Asst. Cash.

G. W. GALBREATH, Cash.

D'A. P. COOKE, Asst. Cash.

H. HAILL, Asst. Cash.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

ILLINOIS BANKING NEWS

By C. C. Burford

Mrs. Dicy Dunlap, grandmother of M. F. Dunlap, the well-known banker and Democratic leader of Jacksonville, recently celebrated her one hundredth birthday. She has lived for sixty-five years in the home which she now occupies. Her life has been spent in the administration of all of the presidents of the United States except those of Washington, John Adams, and Jefferson. Mrs. Dunlap was born February 10, 1811, in Ohio.

Jefferson County Bankers Organize

Fifteen bankers representing the banks of Jefferson county met in Mt. Vernon and organized the Jefferson County Bankers Association. The officers are: President, Albert Watson, president of the Ham National of Mt. Vernon; vice-president, A. Hall of Mt. Vernon, J. H. Crosne of Bonnic; secretary, Frank E. Patton, assistant cashier of the Third National of Mt. Vernon; treasurer, J. O. Purcell, cashier of the Farmers and Merchants Bank of Dix.

A Smooth One Handled Roughly

Peoria officers have a satisfaction in having heard of the arrest of one James Walker at Springfield, Mo. Walker is credited by the Peoria papers with having done "a particularly smooth piece of crooked work," but as his smoothness was not partially distributed among states it seems that the Peoria authorities will have to wait until the Missouri people are through with Walker, for he is wanted there too. Walker enrolled at the Peoria business school, and so gained the confidence of the principal that the latter introduced him at the Interstate Bank. There Walker opened an account, depositing a draft for \$500, and checking out \$230 of it before it was found that the check had been raised from \$5 to \$500.

Call for Sheriffs to Organize

A leading down-state paper is authority for the statement that the sheriffs of Illinois are considering a plan of organizing to prevent wholesale burglaries of banks, postoffices and stores. Nothing better could be done than to prevent more of these pieces of work, and such a movement as this would meet with the hearty approvals of bankers in the smaller towns especially. Preventative work is desired, as there is grave danger that many young fellows will

decide that bank robbery is "easy money," and the prevention of crime is needed as much as its cure.

The Banker and the Public Sales

January and February are the months when the most public sales of live stock and farm implements are held. In many communities the public sale is an important part of the economic life of the neighborhood and considerable money changes hands when these sales occur. In many cases the total receipts of farm sales reach a figure of several thousand dollars, as the prices of horses, mules, cattle, hogs and sheep have been high for the past few years.

The banker in the local community is very often the "clerk" of the sale, as he knows the credit of the neighborhood. In some cases the assistant cashier or possibly the cashier will "clerk" many sales, and instances are known where one of the officers of the local bank will spend many days in January and February tramping around after the auctioneer. The transactions of the sales are usually in the form of notes, as only items of about \$10 or \$15 are "cash in hand." When a sale reaches a total of five thousand dollars the handling of the notes is an important task. The notes are usually collected through the bank which sends a clerk to the sale, and advertising is also secured, as the bank officer at the sale is in a position to extend his acquaintance with the resident farmers and to make friends with those just moving into the community.

Illinois Notes

Peoria clearings for the week ending February 9th totaled \$3,332,000. Springfield shows her growing power as a banking center by passing the million dollar mark in clearings, her total being \$1,023,000.

The state auditor has issued a permit to E.

Banker a Pauper

The cashier of the first bank in Decatur is now an inmate of the Macon county poor-house. He is a man of educated bearing and of such a type as is not usually found in almshouses. In the fifties he was cashier of the first bank in Decatur at a time when Abraham Lincoln was a frequent visitor to county seat towns in central Illinois. John McGinness, for such is his name, knew Lincoln well.

McGinness was a student of shorthand at a time when stenographers were rare in this part of the West and he took the first shorthand report in Decatur at a trial when Lincoln was one of the attorneys. At the age of eighty years McGinness lives quietly upon the bounty of the people of Macon county. The Decatur Review in a recent Sunday edition publishes an extended account of this once successful banker and business man of the old type in Illinois who is now reduced to straitened circumstances.

C. Hoagland, C. H. Fisher and E. F. Parr to incorporate the Old Colony Trust and Savings Bank of Chicago with a capital of \$200,000.

While repairing a chimney of a house at Effingham the carpenters found a complete counterfeiters' outfit consisting of molds and metals. As the house has been vacant for some time it is believed to have been the headquarters of a gang of bogus money makers.

The weekly report of the school savings at Kankakee shows \$129.26 to have been deposited, 238 cards taken home and 1,103 children banking.

William H. Marquam, for twenty-five years associated with the Third National of Bloomington, is dead at his home in that city at the age of 68 years. He established the first business school in Bloomington. This venture was the genesis of the present Brown's Business School in that city.

Banks in the larger centers of the state observed Monday as Lincoln's birthday and taking a holiday. Banks in villages and in smaller cities did not close on that day. The larger towns will also observe Washington's birthday. The smaller the town the less desire there seems to be to take holidays. But it must be remembered that the banks in smaller places serve many of the features of city clubs and Elks' lodges.

L. MANASSE

88 MADISON ST.
Tribune Bldg.



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ESTABLISHED 1868

SPECTACLES AND EYE GLASSES SCIENTIFICALLY FITTED AND ADJUSTED
EXAMINATION FREE OF CHARGE



**Capital, Surplus and
Undivided Profits
\$9,000,000**

**Accounts of Corporations, Firms and
Individuals Solicited**

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P. C. PETERSON, Assistant Cashier
C. E. ESTES, Assistant Cashier
LEON L. LOEHR, Sec'y and Trust Officer
F. W. THOMPSON, Mgr. Farm Loan Dept.
H. G. P. DEANS, Mgr. Foreign Dept.

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CLARENCE A. BURLEY, Attorney and Capitalist
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CHAUNCEY KEEP, Trustee, Marshall Field Estate

THIES J. LEFENS, Capitalist
CYRUS H. McCORMICK, President, International Harvester Company
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MOSES WENTWORTH, Capitalist

ALL BRANCHES OF BANKING

WALES Visible

**Adding
and Listing
Machine**



THE WALES is the one machine that combines exclusive features of convenient operation with mechanical perfection of construction.

Some of these features are the Self-Correcting Keyboard—that corrects automatically when the right key is pressed—and the Non-add key that adds without printing.

It is the only machine that is perfectly visible at every operation, showing totals and printing, in the same field of vision.

A glance gives you the number as it prints and the total up to that point. In construction the WALES is superior to all others.

5-Year Guarantee

The WALES is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee when the WALES gives you five times more protection? Ask about our 30-day free trial. Mail the coupon for descriptive literature.

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

The Adder Machine Company
WILKES-BARRE, PA.

SAXE & HOGLE, Dist. Mgrs.
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Adder
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Company**

Wilkes-Barre, Pa.

Please send me booklet describing in detail the construction and features of the WALES Visible.

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Los Angeles

Stockholders of the Citizens National Bank have formed a syndicate and purchased the controlling interest in the Broadway Bank and Trust Company. It will be operated as a trust company in connection with the Citizens National. The Broadway institution will continue to do business at the same place, 308-10 S. Broadway. The capital stock of the Broadway bank is \$250,000, surplus the same, and deposits \$2,200,000. The capital stock of the Citizens National is \$1,000,000 with deposits of \$7,700,000.

G. L. Vernon of London, assistant manager of the Ritz-Carlton Hotel Company, the \$150,000,000 British corporation with service all the way from St. Petersburg to Pittsburgh, arrived here last week and announced that the chain will be extended around the world with San Francisco and Los Angeles to be included. Hotels will either be bought or built in San Francisco and Los Angeles, and the company's restaurant service will also be established on transpacific liners.

The Los Angeles branch of the American Institute of Banking will hold its annual election of officers March 16th.

Stoddard Jess, vice-president of the First National Bank of Los Angeles, left Sunday for an extended vacation trip throughout the East. Mr. Jess has been in poor health for some time, and has just overcome a siege of the grippe.

A. C. Schnetzler, who was formerly assistant treasurer of the Home Telephone Company, and resigned the first of the year to enter the banking field, is enjoying his new work at the Los Angeles Trust Company.

Cotton futures have sold down sharply owing to favorable weather.

General California News

The Oakland chapter of the American Institute of Banking will hold its first annual minstrel and vaudeville show at the Macdonough Theatre on Friday and Saturday nights, February 24th and 25th.

The Parcels Safe Co. has contracted with the First Bank of San Anselmo for the erection of a safe in the bank at San Anselmo, to cost \$2,175.

R. R. Baker has purchased the entire holdings of F. E. Bush in the Bank of Fort Bidwell, amounting to 30 shares.

The application to organize the First National Bank of Concord has been approved; its capital is \$25,000, subscribed by F. W. Fosskett, W. L. Brown, M. N. Breckenridge, J. Enloe and John Sutton. Also the application to organize the First National Bank of Maricopa, with a capital of \$25,000, by F. F. Weed, C. E. Worden, W. S. Tevis, C. W. Beatty and F. W. Train.

At the annual meeting of the Napa Savings Bank D. S. Kyser was elected president, E. L. Bickford vice-president, and H. S. Davis secretary and cashier.

The Bank of Tulare is once again located at the old stand at corner of Tulare and K streets. The quarters have been entirely changed, and it is now fitted up with the most modern banking fixtures, the improvements costing about \$12,000.

Architects are preparing plans for a two-story brick bank, store and office building to be erected at corner of Main and First streets for the National Bank of Alhambra. The first story will contain two store rooms and the banking room will be 80x32 feet.

Ernest Matlock, of Lansing, is a new state bank examiner in Michigan.

San Francisco

At the annual meeting of the stockholders of Union Trust Company, held February 9th, directors were re-elected as follows: Isaias W. Hellman, I. W. Hellman, Jr., John D. Spreckels, Timothy Hopkins, George A. Pope, J. L. Flood, Charles Holbrook, Jacob Stern, Wm. L. Gerstle, J. Henry Meyer, A. H. Payson, Chas. G. Lathrop, Wm. F. Herrin, E. S. Heller and Charles J. Deering. Dividends of \$25 per share each quarter have been paid to stockholders. The capital is \$1,200,000, with surplus and profits of \$1,489,278.71. The directors organized by re-electing the former officers, namely: Isaias W. Hellman, president; I. W. Hellman, Jr., vice-president and manager; Charles J. Deering, vice-president; H. Van Luven, cashier and secretary; Charles Du Parc, assistant cashier and secretary; W. C. Fife, assistant cashier; L. E. Green, transfer officer.

Anglo and London Paris National Bank, of San Francisco, in its January financial letter says in part: "The year has been financially prosperous in California. The commerce of this port seems likely to figure up to the highest on record."

Cashier Accidentally Killed

Fort Worth, Tex., February 15.—Guy L. Cash, cashier of the Exchange National Bank, accidentally shot and killed himself while unloading an automatic shotgun.

He had just returned from a duck hunting trip.

His wife and young son, who were in an adjoining room, heard the shot and were the first to reach him.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
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EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, February 16.—Deposits with leading St. Louis banking institutions have reached a stationary period. This has come after a steady increase for the last thirty days or so, during which time the growth of deposits and reserves was phenomenal, even for this season of the year. The stage of equilibrium has been in effect for several days. As a usual thing March is the month in which the apex is reached, and bankers are anticipating a further growth until that time, but the increase from now on will not be as great as has been the case since the middle of January, it is believed. The deposits of the National Bank of Commerce on Monday were more than \$67,000,000. This was a slight recession from the high point this month, which was \$68,500,000, ten days or two weeks ago. The latter figure was the largest in the bank's history with one exception, a time for a few days when it had a special deposit of the Commonwealth Trust Company on hand, which ran the figure up to \$72,000,000. The Mechanics American National broke its record by going up to \$36,400,000, a few days ago. Since then there has been a slight falling off, and the total deposits Monday were \$35,800,000, which, however, was a gain of \$3,200,000 over the January 7th statement. The Third National has ascended steadily until Monday, when it showed a total in deposits of \$39,200,000, a gain of \$5,600,000 since January 7th.

Preacher Gets Another Bank

Advices from Jefferson City Mo., state that the Reverend J. T. M. Johnson, formerly pastor of the Delmar Avenue Baptist Church of St. Louis and widely known as the "Banker Preacher," with Lester Parker of Jefferson City, a large contractor of prison labor, has purchased a controlling interest in the Mechanics' Bank of Jefferson City. Professor Howard A. Gass, formerly State Superintendent of Public Schools, who is now contesting the title of this office with Professor W. P. Evans of St. Louis, has been elected cashier of the bank. Both the Reverend Johnson and Mr. Parker are interested in a number of banks and trust companies in St. Louis, Kansas City, Jefferson City and the Southwest.

St. Louis Delegates Named

Governor Hadley of Missouri has appointed the following prominent St. Louis financiers and business men as delegates to the Southern Commercial Congress, to be held at Atlanta, Ga., March 8th to 10th: C. P. Walbridge, James E. Smith, Charles H. Flach, Charles B. Adams, Henry W. Peters, Joseph H. Plumb, John A. Reheis, Edward Devoy, Charles P. Senter, Walker Hill, Joseph R. Barrell, Edward L.

Preetorius, Forrest Ferguson, Nelson W. McLeod, A. L. Shapleigh, Robert H. Stockton, Oscar L. Whitelaw and John H. Curran.

Local Risks Placed in France

Within the last two weeks between \$500,000 and \$700,000 St. Louis real estate mortgages, issued under the sponsorship of the American Trust Company of this city, have been placed in France, Belgium and Holland. This is an entirely new field for this class of loans, so far as St. Louis is concerned, but officials of the American Trust Company say the demand for such high grade real estate mortgages abroad is good, and the institution expects to work up a substantial business in that line. J. C. Van Riper of the American Trust Company, in company with W. W. Newberry, recently covered a good part of western Europe for this purpose, and their mission has been bearing good fruit. A hitherto unknown market for St. Louis mortgages, secured by guaranteed titles and bearing 5 per cent net to the investor, has been opened. However it may be remarked that just now that there is no need of going quite so far to get money at 5 per cent.

James Campbell Returns

The curious financially in local circles are wondering what special thing is going to happen for James Campbell, president of the North

American Company, and incidentally the "J. P. M. of the Mississippi Valley" has come to town. Mr. Campbell says that his visit is simply to attend to routine matters relating to street railways and electric companies, but when Jim starts to attend to things, there is usually news to print, and often sad faces. Mr. Campbell will remain here about a week or ten days. He divides his time between his St. Louis home and his residence in Greenwich, Conn.

Oklahoma Guaranty Law Again

The House Committee on Banks and Banking of the Oklahoma legislature has split right through the middle over the senate bill adopting the bank-guaranty law. When the committee reported to the house on Monday, seven members stood by the ideas of Governor Gruce, and three submitted a minority report. The majority report, which is understood to be in full harmony with the governor's ideas, makes three important changes in the senate bill. Trust companies are divorced from the benefits of the guaranty law after September 1, 1911; the depositors of failed banks are given the option of taking cash from the guaranty funds or 6 per cent interest-bearing scrip from the state banking board, not to run longer than four months, and the state banking board is given power to issue negotiable warrants, bearing 6 per cent interest, from which to get cash to complete the liquidation of failed banks, in case the guaranty fund should become exhausted without all depositors being paid. The same report proposed to increase pay of bank examiners from \$1,800 to \$2,000. The minority report emphatically disapproves the idea of negotiable warrants and advocates the present banking board of five, state officers acting ex officio, except that the state treasurer is replaced thereon by the state auditor.

Want State Deposits in Texas

There was keen bidding and competition among Texas banking institutions to secure the state funds under the new state depository law. The law provides that one bank in each congressional district shall be selected. The bidding was livelier than ever before, sixty-nine institutions entering the lists. Some institutions bid as high as 5½ per cent, and the average is 4.34 per cent. To start with each successful bank will receive \$50,000, but this amount will be gradually reduced as the year progresses. The following banks were successful: American National Bank, Paris, 3.52 per cent; State Bank of Marshall, 3.80; American National of Terrell, 4.51; Greenville National Exchange Bank, 5.18; Citizens National Bank, Hillsboro, 4½ per cent.

Gross Tour of the Orient

73 DAYS. \$680



Starting April 8th

Visit the history famous ports in Azores, Madeira, Gibraltar, Algiers, Greece, Turkey, Syria, Holy Land, Egypt and Italy. Finest trip ever planned at best time of the year. Capable management and perfect arrangements enables us to offer you a trip that answers every requirement and wish as to comfort, pleasure, time and cost.

AUTOMOBILE TOUR OF EUROPE

May 10, 106 days, \$1,185.85 minimum, including every item of expense. Italy, Tyrol, Bavaria, Swiss Lakes and Alps, Black Forest, Rhine, Netherlands, Paris, Chateaux of Touraine and British Isles. Party is limited; make your reservations now.

VACATION TOURS OF EUROPE

July 3rd and 15th, 59 and 47 days, \$619.15 and \$527.65, all inclusive. Two weeks by motor through the Chateaux of Touraine.

ROUND THE WORLD

October 4th, 160 days, \$2,300, all included. A manager and courier accompanies each party. Rates include every item of expense as shown in illustrated booklet, describing and illustrating the scenes along the routes traveled both by land and over sea. Write for it today. Space is limited. Make your reservations now. We offer the benefit of 30 years' experience.

THE GROSS TOURS, Inc.

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ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

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RESOURCES OVER FIVE MILLION DOLLARS.



For Reciprocity

The Chicago Association of Commerce at its Wednesday evening banquet gave quite a boost to reciprocity. The speakers were of world wide reputation—James J. Hill and Philander C. Knox, secretary of state under President Taft. Both supported the Canadian-American trade compact in unanswerable arguments. Secretary Knox portrayed the rise of conditions which, he said, made such a pact inevitable, and pointed out advantages to be derived by both countries through a lowering of the tariff barrier.

Enactment of a trade treaty with Canada had a second champion in James J. Hill, chairman of the board of directors of the Great Northern railway, who asserted the entire Northwest must support the treaty and that there should not be a voice in the country or a vote in congress to oppose.

Mr. Hill said that every interest which saw a possible loss of a dollar, earned or unearned, had allied itself with the opposition. He said a trade treaty with Canada was worth more than armies and navies, and that the world never would see such progress as would follow when both countries were "free to follow natural inclination and wholesome commercial instinct."

Both guests of the organization who spoke at the banquet expressed a belief that the proposed treaty would be enacted by congress.

At the banquet were representatives from commercial organizations in St. Louis, Omaha, Louisville, St. Paul, Duluth, Detroit, Grand Rapids, South Bend, Peoria, Cleveland, Milwaukee, Kansas City and Quincy.

A summary of the strong points made by the two speakers is as follows:

Mr. Knox said:

Reciprocity between Canada and the United States is but natural expression of interdependence.

The proposition is economic, not political. There is no chance for this moral union to involve annexation or absorption.

The agreement seeks to give millions of wage-earning consumers benefit of drawing upon surplus food supplies near at hand.

It prevents manipulations and speculative price fluctuations which are of the greatest harm both to the producer and the consumer.

We have no cause to fear a demoralizing influx under the conditions which will result from this reciprocity agreement.

That it will benefit all sections of the country will be apparent the more its terms are examined. Nor will any class be injuriously affected.

In the event of a great world movement involving this continent the United States and Canada would act in perfect concert in defense of common rights.

Mr. Hill said:

No American business man can pretend to be indifferent to the almost unequalled opportunities afforded.

It is impossible to imagine a crisis that should range Canada and the United States on opposite sides.

A tariff on wheat never had and never can have the slightest effect on the farm value of wheat in the United States.

There should not be one vote in congress or one voice in the country against an arrangement that is worth more than armies and navies.

The world never has seen such progress as would follow were both countries free to follow natural inclination and wholesome commercial instincts.

If there ever is to be other than commercial alliance between Canada and the United States it belongs to years yet unnumbered and generations yet unborn.

Opposition to a project so natural comes from monopolistic combinations, lumber interests and the print paper combine. These and similar objectors are entitled to no consideration.

Chairman Bradt in Chicago

S. E. Bradt, vice-president of First National Bank, Dekalb, Ill., visited Chicago Wednesday. Mr. Bradt is chairman of Group Three of the Illinois Bankers Association and their meeting this year will be held in Dekalb. Mr. Bradt says members are greatly interested in group work and they hope to present a good program at this year's meeting.

Bank Stock Quotations

Among the more active Chicago bank stocks quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK	Book Value
Ashland State Bank.....		110	104
Austin State Bank.....	300		228
Calumet National.....	150		144
Central Trust Co.....	169	172	148
Chicago City Bank.....	475	180	145
Chicago Savings.....	145	148	122
Citizens Trust.....	165		116
City National (Evanston).....	300		228
Colonial Trust.....	180	183	175
Continental & Commercial.....	279	281	165
Corn Exchange National.....	429	433	286
Drexel State.....	150	160	116
Drovers Deposit National.....	222	228	169
Drovers Trust.....	178		166
Englewood State.....	124	126	121
Farwell Trust Co.....	118	121	113
First National.....	419	423	267
First National (Englewood).....	280		221
Fort Dearborn.....	190		128
Hibernian Banking.....	220	225	167
Illinois Trust.....	498	502	278
Kaspar State Bank.....	250		181
Kenwood Trust.....	150	152	128
Lake View Trust.....	139	144	121
La Salle Street National.....	115	120	126
Live Stock Exchange National....	242	250	141
Merchants Loan.....	430	433	303
Metropolitan Trust.....	125	130	132
Michigan Avenue Trust.....	135	138	130
Monroe National.....	130	135	122
National Bank Republic.....	200	202	164
National City.....	227	231	128
National Produce.....	144	148	134
North Avenue State..	138	141	137
North Side State.....	160	175	159
Northern Trust Co.....	314	318	264
Northwest State.....	123		111
Northwestern Trust.....	150		136
Oak Park Trust.....	315	325	190
Peoples Stock Yards State.....	208		135
Peoples Trust and Savings.....	165		152
Prairie State.....	250		104
Pullman Trust.....	159	164	179
Railway Exchange.....	125		114
Security Bank.....	205		164
Sheridan Trust & Savings.....	113	115	111
South Side State.....	142	148	104
South Chicago Savings.....	149	155	146
Standard Trust.....	133	136	126
State Bank of Chicago.....	359	361	225
State Bank of Evanston.....	298	300	235
Stockmen's Trust.....	115	120	118
Stock Yards Savings.....	209	214	175
Union Bank (Chicago).....	140	145	121
Union Trust Co.....	275		201
Washington Park National.....	135		109
Wendell State Bank.....	110		117
Western Trust.....	149	151	112
West Side Trust.....	200		161
Wilmette Ex. State.....	120	130	108
Woodlawn Trust.....	160		128

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The "Star" Case fits any car. It is made of pressed steel. It carries spare shoes, inner tubes, small tools and spare parts. Opened, closed and locked in one minute. Nothing need be detached for removal of tires. It is thief, dust, fool and water-proof. Light in weight.

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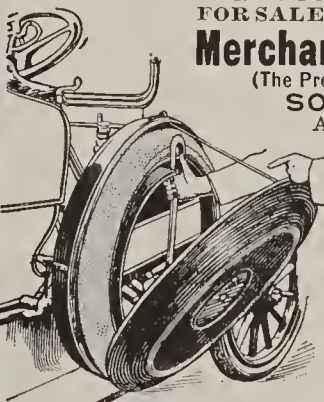
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Kansas City Baltimore



ON A PACKARD CAR

TRADE MARK ☆ ON EVERY CASE

The bankers and business men of Chickasha, Okla., are making arrangements for entertaining the delegates to the meeting of Group One of the Oklahoma Bankers Association February 22d. The business session will be held in Knights of Pythias hall, and a reception and ball will be given at the Elks' club rooms. It is expected that 300 bankers, many of them accompanied by their wives, will be in attendance.

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

A senator from Henderson has introduced in the Minnesota legislature a bill for state bank guaranty. It provides a tax of $\frac{1}{2}$ per cent on the average daily deposits to be paid into the state treasury, the minimum for any bank being \$100. This is to constitute the guaranty fund to be increased by later assessment when necessary. The fund is to be under supervision of the state bank examiner.

The Minnesota Bankers Association is lending its aid to the passage of the bill of Senator B. E. Sundberg for rural school consolidation and that of Ole Sageng, in the senate, for a state commission of three to study educational conditions, also the savings bank bill introduced by the banking committees of the two houses. Secretary C. R. Frost says that the association favors the clause of the Sageng bill providing that one member of the commission, appointment of which is provided for, shall be representative of industry, one of agriculture, and one education.

Pleads Guilty of Contempt

A. D. Clarke, director in the Minnesota National Bank, and former president, has pleaded guilty to contempt of the district court in Hennepin county. A restraining order against disposition of his property was obtained by his wife pending discussion of validity of a Reno divorce. He is charged with disposing of \$10,000 Algona State Bank, Iowa, stock, and \$100,000 worth of land.

Receiver for Dry Goods House

The Minnesota Loan and Trust Company has been appointed receiver of the wholesale dry goods firm of Tibbs, Hutchings & Co., Minneapolis, and C. W. Allen of New York, co-receivers. The latter will take charge of the stock. Assets are \$3,018,839 and liabilities are \$2,233,292, much in 30, 60 and 90-day notes past due. The Northwestern National was represented as having \$128,550 paper of the firm and trade paper of \$72,451. The Security National held \$60,000 straight paper and \$38,000 trade paper. A trustee will be appointed by the federal court March 1st.

Hulbert's Big Bond

E. D. Hulbert, of Chicago, named as trustee of the estate of Thomas Wilson of St. Paul, late general counsel for the Omaha road, has been directed to file in Ramsey county a bond of \$675,000. The estate schedules \$698,814, and is largely in stocks, bonds and other securities. Lloyd W. Bowers, the other trustee, is dead.

Samuel E. Neiler Dead

Samuel E. Neiler, eighty-two years of age, a founder of the Northwestern National of Minneapolis and later of the Union National, is dead, after fifteen years of retired life. In Philadelphia Mr. Neiler was a banker, coming to Minneapolis in 1869. He left the Northwestern in 1882 to found the Union, which long ago was absorbed.

Essays on Farm Life

Lawrence Shay of Ostrander, Minn., won the first Chapman prize for essays on "Why I Want to Leave the Farm." A list of the other winners whose names have been turned over to Joseph Chapman, Jr., for cashing in, indicate a wide range of nativity, and therefore probably a variety of reasons.

Clair Stephenson, Skyberg, Minn.; Emma Johnson, District 12, John Germon, Mapleton;

Harry W. Nystrom, Becker; Edith Urban, Stewartville; Lorette St. George, Simpson; Esther Ziemer, Waltham; Ruth E. Hultcranz, Maple Plain; Anna Kittilstved, Doran; Mary Slincoy, Lake Elmo; Martha Kahring, Moose Lake; Florence M. Rideout, Elk River; Edna Parsons, Farmington; Lydia Beneke, Waltham.

Northwestern Miscellany

N. F. Hawley of the Farmers' & Mechanics' Savings Bank has started for Los Angeles and other California points. He will return about March 1st. J. S. Pomeroy of the Security National will be back Monday from a tour which included New Orleans.

G. A. Lyon, assistant cashier of the First of Minneapolis, has been elected treasurer again of the Harvard club of Minnesota. One hundred men attended the dinner.

R. G. Townsend, Trust & Savings Bank of Aberdeen, S. D., has bought a controlling interest in the First State of Stratford, S. D.

With payment of 207 per cent on par value of the stock, the old Second National of Winona, Minn., a year ago merged into the Deposit Bank of Winona, is out of history. In thirty-eight years its average rate of earning was 13 per cent and the average dividend rate more than 10 per cent. It was founded with a paid-in capital of \$100,000, which in 1886 was increased to \$200,000.

The Island City State of Cumberland, Wis., has elected officers: President, T. O. Mason, vice-president and cashier, A. L. Morken.

Some of the new bank examiners for Minnesota are E. F. Kendrick, St. Paul; H. P. Hill, Faribault; W. W. Churchill, Rochester; F. E. Macgregor, Crookston; O. I. Brandall, Dalton; A. J. Mellentine, Sleepy Eye; J. M. Mullard, Willmar.

Anton Schaefer, former state examiner, is promoting a bank for West St. Paul in the factory and warehouse district.

Three new directors of the State Institute for Savings, Minneapolis, are: H. A. Baldwin, president of the First National, Redwood Falls; W. S. Foster, vice-president of the Mille Lacs Investment and Improvement Company, Milaca; J. R. Thomas, cashier of the Mankato State, Minn.

T. H. James, formerly of the Chicago office, has been appointed manager for the northwestern department of the William J. Burns National Detective Agency, Inc., Minneapolis headquarters. He has Minnesota, North and South Dakota, Eastern Montana, Manitoba, parts of Ontario, Wisconsin and Iowa.

The First National of Bemidji, Minn., will keep open Saturday nights following the recent opening of the postoffice savings department.

Farmers and business men of Kenyon, Minn., consider starting a bank. Stock is being subscribed and a block will be erected in the spring which the bank will occupy in part.

Business interests of Superior, Wis., have bought controlling interest in the United States National. Under the re-organization officers will be: President, W. A. Whitney; acting vice-president, J. E. Greenfield; vice-president, Martin Pattison; cashier, A. J. Wentzel, who was cashier previous to the purchase. Directors

Samuel G. Hatch

It was an earned promotion which came to Samuel G. Hatch this week. He was appointed passenger traffic manager of the Illinois Central. Since 1905 he has been general passenger agent.

Mr. Hatch will begin his new duties March 1st. He will succeed Albert H. Hanson, who retired from the service of the company early in the year, under the pension rules, after continuous service since 1869.

Mr. Hatch entered the railway service in 1880 with the St. Louis, Keokuk and Northwestern Railroad and for some time was connected with the St. Louis, Arkansas and Texas Railway.

are W. A. Whitney, J. E. Greenfield, A. W. Highfield, Peter Eimon, S. H. Bowman, A. J. Wentzel, L. H. Larson, P. J. Ekstrand, Martin Pattison, M. J. Healy, Martin Sauter, C. H. Mason, A. Gearney and C. A. Swanson.

Secretary C. R. Frost says the Minnesota Bankers Association will in the near future announce its legislative policy. Measures providing for greater expenditure of money for rural education, consolidation of rural schools, and the commission for general administration of educational affairs are favored.

Three hundred and fifty bank clerks of Minneapolis have offered free services in connection with the proposed Civic Celebration for 1911. President H. E. Cobb has notified the celebration committee that it may call on the clerks individually and collectively.

The State Bank of Thunder Hawk, Corson county, S. D., has incorporated at \$10,000. Incorporators are L. O. Pearson, Louis Pearson, Thunder Hawk; A. W. Bearson, Peever; Robert Pearson, Sisseton.

A. D. Stephens of Crookston, formerly president of the Minnesota Bankers Association, did not get a seat in the state senate. He is a former senator. After the last session he started a contest, and on Tuesday his claim was disallowed by the legislature.

The Golden Valley State of Beach, N. D., had net earnings in 1910 of 184 per cent and the directors have declared a dividend of 100 per cent. The capitalization was increased from \$10,000 to \$25,000. Both were declared from undivided profits. After charging off \$5,100 for house and fixtures, \$1,000 was placed to the surplus and \$2,000 left undivided.

The Bank of Clear Lake, Wis., has closed its doors. Depositors are expected to be paid in full.

H. F. Quiggle of Winnebago has been made deputy bank examiner. C. R. Boostrom of Austin has been made one of the public examiners and W. J. Regan, paying teller of the Merchants' National of St. Paul, another bank examiner.

William R. Compton & Company have taken \$500,000 Minneapolis water bonds at \$15 premium. The city pays a commission of \$2,500. The company in its bid offered to buy \$500,000 of 4 per cent bonds on the terms, which enabled the city to get around the law which prevents sale below par.

MILWAUKEE

NEWS LETTER
By Mortimer I. Stevens

WISCONSIN

At the joint hearing held in the assembly chamber at Madison during the past week, the guaranty of bank deposits bill, introduced by Senator Owen, received some hard knocks and the concerted action of Wisconsin bankers which is being brought to bear against this bill, would make it appear now that Senator Owen's optimistic prophecies concerning its ultimate adoption, may meet with defeat. Every Wisconsin banker is to be given an opportunity to express his views in regard to this law and to this end, the bill will be allowed to rest for a week or more, while the views of the different bankers throughout the state, are being obtained, through the medium of the Wisconsin Bankers Association.

In order that the proposed action might be thoroughly understood by the banking fraternity, Senator Owen agreed to furnish the association with a sufficient number of copies of the bill to send one to each member, but a number of days have elapsed since this pledge and as yet the copies have not been forthcoming.

Wisconsin newspapers, even those published in Madison, have appeared to attach but little importance to this bill, or have considered their space too valuable, to give much of it to a matter which is of vital necessity, not only to all bankers in this state, but to the manufacturing interests and the public at large. In not one single newspaper, which has come to the writer's notice, has there appeared a report on this bill beyond a few inches devoted to an alleged synopsis, which was so written that it could not be definitely understood, even were it not misleading. When these copies of the bill are sent to members of the association, a blank form will be enclosed on which the bankers will be asked to express their stand in regard to the pending measure.

Doubt as to Outcome

George D. Bartlett, Secretary of the Wisconsin Bankers Association says:

"Thus far we have been working in the dark. We have had no way of ascertaining how the bankers as a whole, look at this guaranty law. Many of the bankers themselves do not know how they will stand on it because they have not seen the full text of the measure. It will take some quick work, but if we receive the copies from Madison promptly we hope to get them sent out to the 650 banks in the state and receive replies from a majority of the banks before any further action is taken by the legislature.

"It may be that the banks are about evenly divided as to the desirability of such a law for Wisconsin. If that proves to be the case, the officers of the association will take no further action. Each party will be told to plead its own case.

"On the other hand, if practically all of the banks are opposed to Mr. Owen's plan for the guaranty of deposits we will do our best to point out the objections to the members of the legislature. If the majority of the bankers favor the plan we will be bound to respect their wishes.

"When the plan for the guaranty of bank deposits was brought up two years ago, 90 per cent of the bankers of Wisconsin were opposed to it. Whether developments in Oklahoma since then have caused a change in sentiment, or not, is questionable. During that time the law has been declared constitutional. Some claim that it has proven a success in Oklahoma. Others point to the fact that total deposits in 220 national banks are given as \$58,000,000, and

the deposits in the 680 state bank total only \$47,000,000. This is an average of \$263,636 in deposits for each national bank and \$69,117 in deposits in each state bank.

"Appeal to popular sentiment," is one of the methods which is being adopted by the father of this bill to insure its passage. At the joint hearing, Senator Owen appealed to the gallery by stating—"that bankers have no divine right to run the banking business, regardless of the interest of depositor and the public generally," and while apparently willing to give the bankers ample opportunity to participate in the discussion of the bill, it has been at the same time apparent that Senator Owen wished to rush this bill through to final adoption in the shortest possible time.

Another Objectionable Bill

Another bill which is meeting with determined opposition on the part of the bankers of this state, lies in the so-called "Segregation Bill," providing for the segregation of savings deposits from all other accounts. This bill is full of flaws and according to good authority, the provision of this bill which guarantees security to saving depositors and segregation of savings from commercial deposits can be evaded by unscrupulous bankers. According to this same authority, "The banker who does not have a conscience could evade every provision of the proposed bill, if it became a law."

Opposes Income Tax Bill

President Otto H. Falk of the Merchants & Manufacturers Association has issued a letter to the members of the association calling their attention to the action of their legislation committee in asking the defeat of the proposed state income tax law.

"After study," says the letter, "the committee is convinced that the state income tax measure should be defeated. While the committee believes in the principle of income tax, it holds that any such system must first be accepted by the national government, and that there must be a reasonable uniformity of action on the part of all the states before an income tax law can be safely administered.

"The time has not arrived when Wisconsin can safely impose a graduated income tax and expose her industrial welfare to dangers of an experiment upon which even the ablest tax experts disagree."

New State Bank at Kewaunee

Work of starting the new Farmers' and Merchants' State Bank in this city is progressing very satisfactorily at the present time, and it is expected that everything will be in readiness within a short time. The officers and directors of the new bank are as follows: O. H. Bruemmer, president; M. J. Rudebeck, vice-president; J. E. Hutchinson, cashier, and Joseph J. Schultz, assistant cashier. The directors are as follows: O. H. Bruemmer, J. F. Kuehl, Paul Renke, and George Erickson, Joseph G. Walseska, M. J. Rudebeck and Henry A. Dvorak.

The building which is to be occupied by the bank is now undergoing changes and this work will be completed within a short time as there is a large crew at work and operations are being pushed as rapidly as possible.

Two More Banks Make Application

The First National Bank, Fennimore, and the Stephenson National Bank, Marinette, have made application as depositories of postal bank funds.

Install Vaults at New London

The new doors and steel linings for the First National Bank of New London have arrived and are being put in place this week. They are of the latest approved design and are just as near burglar proof as mechanical ingenuity can make them.

Sixty-first Birthday is Remembered

Fred Vogel, Jr., President of the First National Bank of Milwaukee, celebrated his sixty-first birthday February 8th. Mr. Vogel is one of Milwaukee's best known business men, both in financial and manufacturing circles, being a member of the Pfister & Vogel Leather Company. Mr. Vogel has been president of the First National Bank for five years.

New Milwaukee Bond Issues

The finance committee of the Milwaukee common council has decided to recommend submitting the question of a \$320,000 bond issue, for several purposes to the voters this spring. The following bond ordinances will also be recommended for passage: Isolation Hospital \$100,000; Oneida Street bridge \$120,000; Bath \$10,000; Sewers \$150,000. The ordinance providing for mortgage certificates amounting to \$1,000,000 for a terminal station, will be recommended.

Another Bank in Milwaukee

Articles of incorporation for the new North Avenue State Bank of Milwaukee have been approved of by the state bank examiner and construction work on the bank's new building at North Avenue and 30th Street will be commenced. The bank will have a capital stock of \$50,000. The incorporators are William Coerper, Wm. C. Garens, Geo. E. Garens, Geo. Klippel and O. A. Hensel.

Milwaukee Clerks Win Debate

An asset currency would increase the elasticity of bank note issues in time of stringency and panic, without impairing the credit of the country, was the contention of the Milwaukee bank clerks, in their winning debate against the team representing the Detroit chapter of the American Institute of Banking on this question:

"Resolved, That National Banks be Allowed to Issue Notes Against Their General Assets."

The vote was two to one in favor of the Milwaukee team, which upheld the affirmative side of the question.

"It is doubtful if the present banking law can be expanded with sufficient rapidity and ease in times of stringency as to make it of practical use," was the contention of the negative, who denied the practicability of the proposed asset currency as a means of relief on the ground that it would tend to destroy credit. "The national bank note system is slow in its methods. Circulating notes that are paid out in the place of money are much more convenient, but as soon as there is the slightest difference in value between them and their security, they become mere negotiable notes."

Milwaukee was represented by Gerhard G. Fischer and Daniel T. Leisk, Milwaukee National Bank, and Frank R. E. Bachhuber, Marshall & Ilsley Bank; while Detroit was represented by John C. Shaw, Security Trust Company; Frederick F. Blodgett, Dime Savings Bank and Irving H. Baker, First National Bank.

Notes of Interest About the State

Frank Slosson, aged 66, a prominent manufacturer of Kenosha and a director of the First

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. C. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK.

National Bank and Northwestern Loan & Trust Company of that city, died last week as the result of an operation for a perforation of the stomach.

Charles F. Hunter, for six years cashier of the MacFarland State Bank in East Troy, has resigned to accept a similar position with the Citizens Bank at Mukwonago.

The Bank of Clear Lake closed its doors January 20th, and will liquidate its accounts. The reason assigned is the falling off of deposits and the large increase in the demands for loans. Condition is said to have been brought about by the shortage of money among firms, due to the poor crops of last year. Depositors are assured that they will receive dollar for dollar, as the resources are claimed to exceed the liabilities.

The First National Bank of West Allis is being remodeled, a private room for patrons is being built and the floor will be paved with colored tiling.

Charles A. Shaver is to be cashier of the new bank at Shell Lake, Wis., under the name of the Bank of Shell Lake, which will open for business about March 1st.

Lucien S. Hanks, the Madison banker who is sojourning at Miami, Florida, for the winter, writes to Gov. McGovern that he cannot accept a reappointment as a member of the State Board of University Regents.

Jas. K. Hsley, President of the Marshall & Hsley Bank of Milwaukee, left February 3d, for a four weeks' outing in California.

Oliver C. Fuller, president of the Wisconsin National Bank, has left for Palm Beach, Fla., where he will spend the next month with his family.

January Bond Sales a Record

Original sales of municipal bonds in the United States in January, according to the compilation of the Financial Chronicle, amounted to \$79,829,948. This is the largest monthly output of municipals ever reported. The next highest total \$69,093,390, was reached in March last year. In addition to the long term bonds sold, there were negotiated temporary loans amounting to \$27,489,060. Canadian municipalities sold \$840,375 of debentures during the month.

The sale of \$60,000,000 of 4¼ per cent corporate stock by the city of New York was principally responsible for the large total reached in January. The previous record last March was also due largely to the offerings of \$50,000,000 of 4¼ per cent stock by New York.

Bigelow Parole

Leavenworth, Kan., February 15.—Frank G. Bigelow, the Milwaukee banker, serving a ten year sentence in the federal penitentiary here for the violation of the national banking laws, was before the parole board Monday. He was given a five minute personal hearing.

As his time expires in a little more than a year, it is expected that Bigelow will receive a recommendation for parole. In case he does, it probably will be at least three weeks before it can be approved by Attorney-General Wickersham and his release effected.

Bigelow is in good health and is said to feel reasonably confident that he will be paroled. He is one of six other prominent bankers of the United States who were examined at this session of the parole board. His chances for parole are said to be slightly better than the others, however, as he has less of his sentence to serve.

Land of Cotton

San Antonio, Texas, February 15.—The production by Texas of almost 3,000,000 bales of cotton in 1910 gives some notion of what this state might do were all the arable land under cultivation. In round numbers there are 34,000,000 acres of tillable land in the state. Of this sum 3,797,967 acres or about eleven per cent is cultivated. In addition to the cotton growth the corn crop of 1910 was a close second in the matter of wealth to the farmer. If instead of 3,000,000 acres in round numbers 30,000,000 were under cultivation, and the same percentage devoted to cotton the output of this staple alone from Texas would approximate 30,000,000 bales or more than three times the entire product of the cotton belt of the country of 1910.

From these figures two interesting calculations can be made, as follows: First, the vast population the state will maintain, and secondly, the enormous value which may be taken from the soil in the form of one staple alone.

Few people have any conception of the size of this state. It is almost 1,000 miles from Orange, near the eastern line, to El Paso on the western extremity, and more than 600 miles from Denison to Brownsville. In extent the state is larger than the German Empire. And when it is recalled that Germany contains forty-seven cities of more than 100,000 population, seven of these having more than 500,000 population, some notion of the possibilities of Texas both as an agricultural area and population center can be gathered. It is estimated that this state can support a population of 20,000,000 people and not be as thickly settled as some of the eastern states and many of the European countries.

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CAPITAL \$1,000,000.00

SURPLUS \$250,000.00

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Vice-PresidentJ. M. APPEL
Vice-PresidentWM. L. MOYER
Vice-PresidentCHARLES G. FOX
CashierWILLIAM LORIMER, JR.
SecretaryANTHONY CZARNECKI
Mgr. Savings Dept.

Directors

W. C. BROWN
C. B. MUNDAY
WILLIAM J. MOXLEY
WILLIAM LORIMER
PAUL F. BEICH
FRANK J. BAKER
GEORGE O. GUNDERSON
ELBRIDGE HANEY
F. W. OLIN
JOHN I. HUGHES
WM. LORIMER, JR.
JOHN M. ROACH
JAMES E. BENNETT
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Money, Banking and Finance from Chicago Viewpoint

It is early for presidential politics and yet there is a great deal of it in the atmosphere. Bankers and other business men have had a new and peculiar line of thought thrust upon them this week. The unexpected piling up of money within a month of the usual spring activity has been hard to explain, and of course political reasons are given.

It has been stated all along that business will continue somewhat below normal until the Interstate Commerce Commission makes a decision in the freight rate cases. To this view is added the belief that political uncertainties are largely responsible for the seeming curtailment of trade in various channels. Already manufacturers and importers are calling attention to the fact that the presidential election comes next year, and that the possibility of governmental changes warrants a gradual slowing down of industrial efforts.

It nearly always happens that a presidential year is a poor business year, but with all the truth and logic there may be in that fact the casual observer will declare that the beginning of 1911 is rather too early to look for any serious political effect. In going over this subject a Chicago banker said:

"We have the ground work to support a nice improvement in general business, even though the nominations in what promises to be a trying presidential election struggle are less than a year and a half away, provided only the natural causes affecting business were to be considered.

Important Decisions Coming

"But there are the pending decisions of the Standard Oil and American Tobacco cases before the supreme court of the country. Therefore I cannot help a conviction that the present time of all times is one at which it behooves business people to proceed cautiously. There is no need to speculate as to what will be the outcome of these cases before the court.

"The idea some romancers have that the large interests can get advance suggestions as to the import of the decisions to be handed down is simply rot. The big men are as much at sea in this matter as the littlest merchant in the country, and they will continue in such a state of ignorance until Monday, when the court will render its finding. This will be the first interpretation by the highest court of the

Sherman anti-trust law as it applies to the modern corporation, and there is little or nothing in previous decisions on which to base an opinion as to what the court will decide to do.

Caution is Necessary

"Now I think I can observe a tendency on the part of the business public to show a callousness as to what will be the outcome of the cases. I am sure I am unable to feel that way about them. I feel that it is just possible our corporations may receive a whack and a jolt more severe than they are at the moment anticipating, and I know some very important men who are trimming their sails so they will weather the effects of decisions in case they are such as to compel the most radical changes in the methods of carrying on business as a corporation.

"Therefore, I say, I do not think it is a time for overconfidence or rapid spreading out in business. I favor waiting a little longer until we know just what will be the treatment of the corporations by the supreme court. If it is such that it will be easy for the corporations to adjust themselves and their methods to the conditions laid down, and if the crop prospects continue as good as they now look, then I shall expect to see a good business movement in the country between now and the near approach of the 1912 presidential campaign."

Financial Legislation

There are several measures now before congress of importance to the financial markets as a whole, and of direct interest to the banking community. They comprise the authorization which the secretary of the treasury is seeking, and will probably obtain, to issue 3 per cent Panama bonds without the circulation privilege, and to make certified checks good for customs dues. The second measure can have only happy results, since it will abolish the foolish and at many times costly restrictions placed upon the dealings between the banks and subtreasuries. As for the Panama bonds,

their fate cannot be foretold. There has been left with them the privilege of securing government deposits, and it is a fair assumption that at a price this would make them attractive to banks now holding such deposits by means of the 2 per cent bonds. The effect of the new issue upon the old 4s involves this same problem and many others, but a more interesting question is that of the attitude of the investing public toward the new 3 per cent issue. The rate is hardly sufficient to bring the bond into competition with the savings banks, but it has the attraction of government security and sentimental advantages, so that, all in all, it will not be surprising if the offering attracts outside subscriptions for a considerable number of millions at prices higher than the banks may be willing to bid. After all the stripping of the bond of its circulation privilege is the most important feature, since in this modest way the first step is taken toward a rational and really useful currency.

Encouragement in Steel

The gain of 435,000 tons shown by the January report of the Steel Corporation's unfilled tonnage over the December figures is double what market authorities had predicted. December had shown a loss from November's total of unfilled tonnage of 86,000 tons; and it was expected the burst of buying during the latter half of January would probably bring the total up to 100,000 tons over the November figures, or 180,000 to 200,000 tons over the report of December 31st.

This with the new railroad construction program will tend to allay the fears of those who have political worries. Railroad earnings for January were another pleasant surprise tending to stimulate the nation's optimism.

Hold Stock Yards Securities

New England, it is estimated, holds 75 per cent of the stock of the Chicago Junction Railways and Union Stock Yards Company and has six out of the ten directors. Most of the shareholders have been with the company since its organization in 1889, when Mr. Prince, now elected president, working in conjunction with Mr. Thayer, who retires from the presidency, succeeded in reorganizing into a new corporation the entire stockyards and railroad properties.

TWO GOOD BUSINESS OPPORTUNITIES

Have for sale, at about sixty per cent of its actual value, the finest china, glass and queensware business in Illinois, outside Chicago. Was very flatteringly noticed in recent issue of Pottery and Glass. Satisfactory reasons. Also, will give liberal bonus of stock in large and prosperous corporation, and six per cent interest for a short loan of \$25,000, to meet maturing obligation. Abundant security. Must act before March 1st. Both propositions will bear closest investigation. Apply,

Treasurer, Central Western Securities Co.
Majestic Building CHICAGO, ILLINOIS

Iowa Banking News

By W. C. JARNAGIN

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GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agent for National Banks

Markham is Elected Director

C. H. Markham, president, has been elected a director of the Illinois Central, succeeding J. T. Harahan, resigned.

J. Fred Hutchison has been chosen president of the Rockwell City Saving, succeeding George R. Allison. R. Hutchison succeeds the new president as cashier.

The American Union Trust Company of Kansas City, which began business January 1st, is prospering beyond the expectation of its officers. The first month of its existence showed gratifying activity in its trust and banking departments.

Des Moines, February 15.—The first group meeting of the year has been announced. It is Group Seven which meets at Williamsburg on February 22d. An interesting program has been prepared and the bankers of the group are trying a new feature—that of having their addresses made by laymen rather than by financiers. The speakers are Judge W. D. Evans of Hampton, member of the Iowa Supreme Court, Judge M. J. Wade of Iowa City, formerly congressman from the Second Iowa district, John Cownie of Des Moines, formerly member of the state board of control and Rev. P. M. Simms of Vinton. The convention will be held in the high school auditorium. The banquet will be served in the opera house. The group is composed of bankers from the counties of Black Hawk, Bremer, Buchanan, Grundy, Tama, Benton, Linn, Johnson and Iowa.

It is anticipated that the attendance will be large. Group Eleven usually meets on February 22d but its program has not yet been received in Des Moines.

Legislation is Unimportant

Few measures has been passed by the Iowa legislature of particular interest to bankers. There are many measures still pending, however, among them the tax ferret repeal which was taken up as a special order for Tuesday. Representative Brady in the house put in a bill for taxation of moneys, credits, bonds and contracts at a flat rate of four mills. It is the opinion of many that a flat rate tax will be a good solution of moneys and credits problem in Iowa. Representative Hicklenlooper put in a bill providing that moneys, credits, notes, bills, bonds and shares of corporate stock shall be listed where the owner lives.

Sioux City a Reserve Center

The bankers at Sioux City have been saving their money, ready to be made a reserve center on March 1st. While the law requires 25 per cent altogether of the banks' deposits to be kept in reserve, the Sioux City nationals are expecting to maintain from 35 to 40 per cent of their deposits where they will be immediately available. While this will require a closer margin of profit, the bankers are expecting to do a bigger business and will be fully equipped to meet every requisite.

Bank Buys Refunding Bonds

The Iowa National of Des Moines purchased the \$183,000 of refunding bonds issued by Polk county. The bank will pay \$4.552 as premium for the bonds. The bond will bear 4½ per cent. \$83,000 will run until November 1, 1924 and \$100,000 will run until November 1, 1930. Among the bidders were George M. Bechtel Co. of Davenport; National City Bank of Chicago; Woodin, McNear & Moore, Chicago; Wells & Dickey Co., Minneapolis; Harris Trust Co., Chicago; N. W. Halsey Co., Kansas City; Compton Trust Co., St. Louis; Des Moines Trust Co., Des Moines.

Gets Peculiar Verdict

A. J. Zwart of the Des Moines National, won a peculiar verdict in the Des Moines courts when he was awarded \$129.37½ for damages received in an accident some time ago. He sued for \$150. What is puzzling Mr. Zwart is how to collect that extra half cent which the jury graciously bestowed upon him.

Would Publish Statements

Senator Hunter of Woodbury, has introduced a bill in the Iowa senate providing that the state

auditor must annually publish statements of the conditions of the various banks of Iowa. The statement must be prepared before March 1st and shall show the conditions of each bank at the close of the preceding year.

General News Notes

Bank clearings in Des Moines showed a good gain for the week ending February 11th, as compared with the corresponding week last year. The total was \$4,010,262.68 and the increase over the clearings last year is \$822,796.26.

The Winneshiek County Savings Bank of Decorah and the Citizens Savings of Decorah, have been designated as depositories for the funds deposited in the postal savings banks at that city.

William Gregg and Shelton Alton were arrested in Des Moines at the instigation of Secretary Hall of the Iowa Bankers Association on charges of passing forged checks on a number of merchants in Dallas county. The young men had walked several miles after passing the checks and were apprehended by the Des Moines detective force.

Claus Heldt, Jr., has resigned as assistant cashier of the City State at Ogden, but retains his interest in the institution. He expects to become an Ogden real estate man.

The Farmers State at Ulmer has filed articles of incorporation. The capital stock is \$10,000. President is M. M. Heptonstall; vice-president, Charles O. Hill; cashier, C. H. Townsend.

The Merchants National at Burlington announces that it will remodel its structure and provide additional vault room for safety deposit boxes.

The Altoona Savings at Altoona has filed articles of incorporation. The capital stock is \$10,000. O. H. Pearson is president; H. F. Nahnen is vice-president and J. E. Reid is cashier.

J. H. Bowman, formerly in the banking business at Waverly, but later retired, dropped dead in the hotel at that place.

J. E. Lamb has been advanced from assistant cashier of the Montrose Savings to cashier of that institution, succeeding William Cook.

School pupils in the little town of Alford, Iowa, have taken kindly to a savings department opened especially for them by the Alford bank. At the end of the first ten months, there are 106 depositors of juvenile degrees with an average balance of \$14.29 each or a total of \$1,500.45.

Simon Casady and Fred Risser of the Central State, Des Moines, are in the East getting ideas for the new structure which the institution will erect on Fifth Street within the coming months.

Among out of the city bankers in Des Moines recently were Cashier Chas. Richards of the Ochevedan Savings; Walter Johnson of Nampa, Idaho, formerly with the Leavitt & Johnson Trust Co. at Waterloo; President H. E. Fardel, State of Stanhope; President John McHugh, First National, Sioux City; J. H. Ingwersen, Clinton; Cashier Sears McHenry, First National of Denison; Cashier F. A. Fariday, Bank of Cromwell; President J. A. Brown, Bank of Chariton; President D. Deardorff, Peru Savings; Cashier W. H. Totten, Gilbert Station Bank.

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Pacific Northwest Banking News

Spokane, Wash., February 14.—Extensions and betterments contemplated for 1911 by the Washington Water Power Company are outlined in an exhaustive report submitted by D. L. Huntington president, at the annual meeting of stockholders at Spokane, Wash., on February 6th. The report shows that the company made marked improvements on a constructive as well as financial basis in 1910 over 1909. These trustees, elected for the year will name the executive officials at a meeting to take place in New York: W. A. White, Hinsdill Parsons, Francis S. Bangs, Frank Lyman, Theodore F. Hicks, Philip Cabot, Harold T. White, Henry M. Richards, David L. Huntington, J. P. M. Richards, W. J. C. Wakefield, Dr. N. Fred Essig, L. M. Davenport, W. S. McCrea, Jonathan Bulkley, Oscar F. Zollikoffer, Robert L. Montgomery, Benjamin B. Lawrence and Duy DuVal.

Finance committee: W. A. White, Hinsdill Parsons, Frank Lyman, Francis S. Bangs, Theodore F. Hicks, Harold T. White and Philip Cabot.

Executive committee: J. P. M. Richards, W. J. C. Wakefield, L. M. Davenport, Dr. N. Fred Essig and W. S. McCrea of Spokane.

The annual report, copies of which will be mailed to stockholders in a few days, contains the following items dealing with the company's financial standing, the improvements and extensions of the railway, power and lighting systems:

"During the year we have relaid with 70-pound steel rails and paved between our rails 11.09 miles of track. We have double tracked 1.56 miles of road and extended our lines 7.9 miles. We have added 10 passenger cars and one work car to our equipment. We have equipped our interurban railway lines with an automatic block signal system of the most modern and efficient type." Herewith is a table of statistics covering the street railway system:

Miles of street occupied, 1909, 45.26; 1910, 48.79.

Miles of track, 1909, 100.96; 1910, 108.92.

Passengers carried, 1909, 21,842,767; 1910, 24,730,145.

Car miles run, 1909, 3,624,586; 1910, 3,990,653.

Car hours run, 1909, 435,541; 1910, 465,516.

The regular dividend of 7 per cent and an extra dividend of 1 per cent have been paid.

Transfer of Bank

The individual stockholders of the Almira State Bank of Almira, Wash., have purchased the entire stock of the Pioneer State Bank and the latter will be dissolved as a corporation. The Almira State Bank will at once be moved to the Pioneer State Bank building and both banks will do business in the same building, until the affairs of the Pioneer State Bank can be entirely liquidated. There are no changes contemplated in the officials of the Almira State Bank.

Election of Officers

The following officers have been elected to guide the Colville banks for the coming year: Bank of Colville, C. W. Winter, president; T. A. Winter, vice-president; W. R. Baker, cashier, and C. L. Baker, assistant cashier. First National Bank, Hugh Waddel, president; A. L. Rogers, cashier, and J. H. Young, vice-president. Colville Loan & Trust company, D. J. Burk, president; Charles Adams, vice-president and C. W. Seal, secretary.

Increase in Deposits

The Mabton, Wash., bank reports a deposit of more than \$125,000 which is an increase of more than 30 per cent over that of a year ago. The men who have charge of this prosperous institution are men who have made a successful management of their private affairs and are qualified to look after the welfare of such an institution. A. T. Carlson is the president and Earl Larrison is cashier.

Bank of Bickleton

The third annual meeting of the stockholders of the Bank of Bickleton elected the following directors last week: C. E. Flower, G. W. McCready, J. B. Hosfelt, S. A. Rossier, W. G. Faulkner, J. N. Jensen and S. N. Matson. Immediately after the stockholders' meeting, the newly elected officers held their semiannual meeting and elected the following officers: C.

E. Fowler, president; J. B. Hosfelt, vice-president; W. G. Faulkner, secretary; S. A. Rossier, cashier, and S. N. Matson, assistant cashier.

Progress of New Bank

The stockholders of the Farmers State Bank of Reardon, Wash., held their annual meeting last week and elected all of the former officers. The institution was started a little more than a year ago, and has fifty-four stockholders whose combined real estate holdings amount to more than \$2,000,000. The bank is a prosperous institution and is considered one of the safest banks in that territory.

Dividend of 15 Per Cent

At the annual meeting of the stockholders of the First National Bank of Okanogan, Wash., a 15 per cent net dividend was declared. The following directors were elected for the year: C. E. Hansen, W. E. Kirkpatrick, Harry J. Kerr, H. S. Irwin, Charles Ostenberg. The directors re-elected the former officers, as follows: C. E. Hansen, president; W. E. Kirkpatrick, vice-president; Harry J. Kerr, cashier and manager.

Banking Miscellany

The Gillett Brothers' private bank and the White Salmon Valley Bank of White Salmon, Wash., have both made application to become national banks. As the latter bank sent in the first application, its title will be the First National Bank of White Salmon.

Miss May Adell Zuppahn has the record of being the youngest bank depositor in North Yakima, Wash. The daughter of Mr. and Mrs. W. E. Zuppahn was born at 4:20 o'clock and at 10 o'clock the same day two deposits were to her credit in the Yakima Trust Company, one being a gift of bank officials.

Harvey Fiske, of New York, a member of the bond house of Fiske & Robinson, one of the largest of its kind in the United States, was a guest of Spokane bankers for a few days from January 13th. He went from Spokane to Portland, being on a tour around the country.

Kansas City

CENTRAL WEST LETTER

Omaha

By EDGAR P. ALLEN

Kansas City banks will be well represented at the group meetings of the Oklahoma Bankers Association the latter part of the present month. The Kansas City party will travel in a private car and will leave the night of February 18th and reach Guthrie the next day, where the first group meeting will be held. The second group meets in El Reno, February 21st. Then follows in order Chickasha, February 22d; Ardmore, February 23d and Claremore, February 24th. Those who will constitute the Kansas City party are: R. C. Menefee, treasurer of the Commerce Trust Company; E. P. Davis, assistant cashier of the Southwest National Bank; C. L. Brokaw, cashier Commercial National Bank; G. P. Reichel, assistant cashier First National Bank; G. G. Moore, assistant cashier New England National Bank; J. C. English, cashier Traders' National Bank; W. C. Henrici, cashier Inter-State National Bank; H. L. Jarboe, president Drover's National Bank; J. P. Lombard, cashier Corn Belt National Bank; G. B. Gray, vice-president National Bank of the Republic; G. W. Allison, treasurer American Union Trust Company; Charles H. Moore, vice-president National Bank of Commerce; Jerome Thralls, manager Kansas City Clearing House Association and newspaper representatives. W. B. Harrison, secretary of the Oklahoma Bankers Association, will come to Kansas City and make the trip with the Kansas City bankers.

Important Bank Change

One of the most important bank changes in Oklahoma within recent months was announced last week. R. M. Estes, one of the prominent bankers in that state, has purchased a large block of stock of the Planters' and Mechanics' Bank of Oklahoma City. Mr. Estes has taken the active presidency of the bank. A. M. Gustin, former president, who has been connected with the bank ever since its organization, will become vice-president. Charles A. Bryan, of Cyrill, Okla., also becomes an officer. Mr. Estes owns a number of small banks in the western part of Oklahoma and was one of the organizers of the Central State Bank of Oklahoma City, which was later changed to the Central Reserve National Bank.

Persistent rumors that the Central Reserve National Bank of Oklahoma City was to be merged with the Oklahoma City National Bank have been set at rest by a statement from A. M. Young, president of the Central Reserve. He admitted that overtures had been made for the merger but said that the officers, directors, and stockholders of the Central Reserve were unequivocally opposed to such an arrangement.

Burglary Bill Passes

The so-called bank burglary bill has passed the Kansas senate. It provides that anyone who shall break into a building and attempt to open a safe or vault by the use of explosives shall be, upon conviction, sent to the state penitentiary for not less than ten nor more than thirty years. This is the most drastic law of its kind ever considered favorably by a western state and was the result of the many bank robberies in Kansas last fall.

In addition to the law providing severe punishment for bank robbers in Kansas, a special bill has been introduced in the Kansas legislature to permit the state bank commissioner to offer a reward of \$1,000 for the capture and conviction of bank robbers.

A warrant charging conspiracy to swindle

has been sworn out against Charles H. Meeker, believed to be in New York. Banking men in Oklahoma, Texas and New Mexico are mentioned in the charge against Meeker. It is alleged that he sold bogus London exchange and with the proceeds purchased equipment to start banks in the Southwest.

Three men accused of being members of the gang of bank robbers which operated in Kansas last fall are now in jail at Marysville, Kan., and will be tried in the February term of court. Two of the men, Henry Hoerr and Alexander Menard, are charged with having taken part in the robbery of the State Bank of Beattie, November 8th and the other, Neil Mulcahy, is accused of being one of several men who robbed two banks at Waterville, Kan., December 30th. Sheriff Sullivan of Marysville has recently arrested another man, Frank Wheeler, at Wymore, Neb., who is charged with complicity in the Beattie robbery. Wheeler was formerly a conductor on the Chicago, Burlington & Quincy railroad.

Three New Texas Banks

At a meeting of the Texas State Banking Board authority to do business in Texas was granted to three new state banks. They are the Coupland State Bank, of Coupland, Williamson county, capital stock \$10,000. Weston

Proves a Business Success

G. L. Benson, cashier of Farmers State Bank of Holdenville, Okla., has earned a good reputation as a business man. He is only 31 years of age but has had experience as a bank organi-



G. L. BENSON
Cashier Farmers State Bank, Holdenville, Oklahoma

zer and manager which well fits him for his present responsible position. He is a native of Texas and lived on a farm until 21 and had finished high school. After taking a business course he entered the banking business as cashier of First National at Dustin. He gained considerable with other banks before joining the staff of Farmers State Bank at Holdenville. The latter institution is growing fast and is recognized as a sound and progressive bank.

Guaranty State Bank, Weston, Collin county, capital \$10,000 and the Kyle State Bank of Kyle, Hays county. The two latter banks assumed the guaranty fund plan, while the Coupland Bank has taken the bond plan to protect depositors.

Changes in Guaranty Bill

The new bank guaranty bill which passed the Oklahoma house of representatives had rough sledding in the senate, and, although it has passed that body, it has been so amended that it is practically a different bill. New sections have been added, divorcing trust companies from the benefits of the law; providing that the depositor having funds in a failed bank may take cash from the guaranty fund or 6 per cent interest bearing certificates from the banking board, and that the banking board may issue negotiable warrants bearing 6 per cent interest from which to realize cash to settle with depositors when the guaranty fund and emergency assessments shall have become exhausted. The salary of the state bank commissioner is also raised to \$4,000 a year, and the banking board shall consist of the governor and two appointees instead of five of the state officers.

Charges Malicious Prosecution

E. McPherson, cashier of the Merchants State Bank of Rush Springs, Oklahoma, has brought suit against A. F. Koch and J. D. Shook, directors of that institution, for damages to the amount of \$10,200 on the charge of malicious prosecution. McPherson was arrested on the charge of misappropriating bank funds but was cleared when arraigned.

General News Notes

The Missouri state bank commissioner has issued a certificate of incorporation to the Citizens' Bank of Guilford, Nodaway county, Mo. The capital stock of the new bank is \$15,000 and the board of directors for the first year is composed of John McKee, A. H. Wilson, F. L. Clayton, J. V. Pugh and J. S. Hocker, all of Guilford.

The First National Bank of Monette, Mo., Citizens' National Bank of Billings, Okla., and the Beaver County Bank of Guymon, Okla., have made application as depositories for postal bank funds.

Jasper C. Laughlin, an old and prominent citizen of Rockville, Mo., and president of the Rockville Bank, died last week.

The Central National Bank of St. Louis, has been approved as reserve agent of the First National Bank of Okmulgee, Okla., the American National Bank of Oklahoma City, Okla., and of the National Bank of Poteau, Poteau, Okla.

Eugene P. Davis, assistant cashier of the Southwest National Bank of Kansas City, attended the Kansas Day banquet at Topeka last week.

The Fort Dearborn National Bank of Chicago has been approved as reserve agent for the First National Bank of Cameron, Mo., the State National Bank of Oklahoma City, Okla., and the First National Bank of Milburn, Okla.

Although Tulsa, Okla., already has eight banks and trust companies it is to have another. This will be a night and day bank, and will have a capital stock of \$50,000. There are two other night and day banks in Oklahoma—at Muskogee and Oklahoma City.

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CHICAGO

Kansas Robbery

Lawrence, Kan., February 14.—"Three men have blown open your bank at Linwood and are robbing it. What shall we do?"

That was the message that greeted Willis K. Folks as he climbed out of bed to answer a madly ringing telephone at 3 o'clock this morning. It was rather startling news, particularly as Mr. Folks had only bought the bank about three weeks ago, but the ex-secretary of the university here was calm.

"Tell the citizens not to risk their lives to save my bank," he told the excited resident of Linwood who had called up to tell him of the robbery. None of the townspeople of Linwood had been risking their lives to save Mr. Folks' bank, and they followed out his wishes not to do so.

The bank, which was the State Bank of Linwood, Kan., fourteen miles east of here, was wrecked by three men about 3 o'clock this morning. The three took tools from the Union Pacific tool shed nearby, broke in the front door and wrecked the safe with dynamite. Then they took \$1,000 in silver and \$800 in currency and left. As they stepped outside they were met by a section hand named Peterson. They fired a salute at the early rising railroad man, who at once gave up his researches around the bank. He was not injured.

Several other residents of the town awoke, but following Mr. Folks' commands, which came about this time, did not risk their lives, and the robbers escaped. They are believed to be headed for Kansas City. They overlooked \$350 in gold which was in the safe.

The belief of three deputy marshals that he was one of the bank robbers resulted in an unpleasant time for C. E. Brown, a guard at the Kansas Municipal Farm at Leeds, early this morning. Brown, who was on his way home to Kansas City from his home at Eudora, was taken from an Atchison, Topeka & Santa Fe train at De Soto. It was three hours before he proved his identity.

D. W. Hogan, director and cashier of the American National Bank of Oklahoma City, Okla., has resigned. James Cheneweth, formerly vice-president of the Farmers National Bank, was elected vice-president and director of the American National. Harry B. Carson will be acting cashier.

Increase of Capital Stock

Stockholders of Chicago Savings Bank and Trust Company in special meeting voted to increase the capital of the institution from \$500,000 to \$1,000,000. The new stock is to be offered at \$120 a share to stockholders of record March 16th, and will be payable on or before April 5th. Twenty dollars a share of the purchase price will go to surplus account, raising it to \$200,000.

"Back to the Soil"

William McCormick, cashier of the Farmers Bank of Emden, near Lincoln, can be said to live an almost ideal country life. He owns an exceptionally well-improved farm of 550 acres two and a half miles from Emden. His home is a modern one with hot and cold water throughout. When the roads are good Mr. McCormick goes from his home to the bank in an automobile and when the roads are muddy he uses a horse and buggy. Formerly he fed and shipped many cattle annually but now is keeping up the fertility of his soil by crop rotation.

Cashier McCormick is an ardent exponent of the "back to the soil movement" for he lives it every day. The Farmers Bank of Emden, operated by McCormick and Company, has deposits of \$180,000. Fort Dearborn National is its Chicago correspondent.

Germany in Fear

Count Von Kanitz, conservative, in the Reichstag, interpellated the government regarding what measures it proposed to take to prevent flooding the German market with foreign securities. When the count recently gave notice that he would make this inquiry he was supposed to have in mind the current report that the Berlin Handelsgesellschaft contemplated making an attempt to list the stock of the Chicago, Milwaukee & St. Paul railway on the Berlin boerse.

Speaking on the question Count Von Kanitz quoted figures showing the great increase in the listing of foreign securities in the past years. He continued:

"The movement of capital out of the country necessarily raises the interest rate in Germany. The big banks prefer bringing out foreign issues to exploiting German loans, owing to the bigger profits thus secured. It is astonishing with what carelessness second rate foreign paper is admitted to the German market.

"The securities of the Chicago, Milwaukee & St. Paul railway belong ostensibly to the best class of investments and pay 7 per cent, but it is asserted without contradiction that this railway recently showed reduced earnings and that its dividends are kept up to 7 per cent only in order not to discredit the large sums placed in Germany. This and other American securities show fluctuations unknown in Germany.

"Why do not Americans keep these securities for themselves? They have more money than we have. They do not find any railway material in Germany. Their high tariff renders this impossible and the Payne tariff law permits the raising of the rate against us to a maximum of 100 per cent.

"The investment of German capital in American railway securities only places this capital at the disposal of the American iron industry, and the German stock market is rendered more dependent than ever upon the New York stock exchange.

"After increasing their schedules they have issued all kinds of vexing tariffs regulations. Accordingly we have no occasion to dispense with a careful investigation of American railway securities or to admit them open handedly out of pure friendship."

Chas. A. Billing, of Bronx National, New York, is declared sane by a lunacy commission.

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For Sale. Two safe deposit vaults. One medium size, suitable for banks, also one large vault with two entrances. Also two bank chests. For particulars, address, Max Schubert, 757 Washington Avenue, No., Minneapolis, Minn.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor. Volule shutter. Value \$97.50. Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$4.00. Address, D-723 Chicago Banker.

FOR SALE — Real Estate

For Sale. Brick, s'one trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Business Opportunities

The Atlas Stamping Co., incorporated for \$10,000, offers opportunity for investment of \$2,000 in stock of the company; has paid 40 per cent dividend in 3 years. \$5,000 worth of work on the floor; needs money to fill orders. Full particulars upon request. Address, 557 Jackson Boulevard, Chicago, Illinois.

For Sale. A high grade flouring mill property in central Indiana, near the capital of the state. Write to P. O. Box 77, Anderson, Ind.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c. The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

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"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

State Bank Gains in Oklahoma

Bank Commissioner E. B. Cockrell, of Oklahoma, has sent out a summary of state banking conditions which shows the Oklahoma guaranty law went into effect February 14, 1908, since which time 190 state banks have been chartered and 84 national banks have converted to state institutions. This in reply to contrary assertions by many daily and banking newspapers. Deposits have gained nearly five millions and loans have decreased close to half a million. Net increase in number of state banks for 1910 was 27. Reserve increase was an average of 8.3 per cent.

Department of New Business

Palestine, Tex.—T. M. Campbell is reported organizing a new state bank at this place.

Elba, Va.—The Elba Savings Bank has been chartered with a capital of \$25,000. R. T. Ramsey is president, Walter C. Moell cashier and C. Eugene Shelton secretary.

Ansonia, Conn.—The Ansonia Trust Co. has filed articles of organization. Charles F. Brooker, Chas. H. Pine, Chas. F. Bliss, F. L. Gaylord, Geo. O. Schneller, Franklin Burton, Alton Ferrel and others are promoters.

Cunningham, Kan.—The Farmers State Bank has been organized with a capital of \$10,000. J. N. Wilson is president.

Hope, Kan.—The Farmers State Bank is the title of a new enterprise. M. A. Anderson is cashier.

Monticello, Ind.—The Farmers State Bank has been chartered with a capital of \$25,000. J. T. Timmons, John Loda and others are promoters.

Weeping Water, Neb.—The Farmers State Bank has been chartered with a capital of \$25,000. O. O. Thomas and D. N. Thomas are promoters.

Winton, Minn.—The Hines Lumber Co. will organize a bank here.

Boston, Mass.—A savings bank is to be organized near the South Station of this city.

Kilkenny, Minn.—A state bank is to be organized here. James Stanely, of Mankato, Minn., will be cashier.

Oakland, Minn.—The First State Bank with a capital of \$10,000 has been organized.

Malone, Tex.—The First State Bank has been organized with a capital of \$15,000. S. Q. Pierce is president and T. S. Stockton cashier.

Thunder Hawk, Corson Co., S. D.—L. O. and Louis Pearson, of Thunder Hawk; A. W. Pearson, of Peever, and Robert Pearson, of Sisseton, have incorporated the State Bank of Thunder Hawk. The capital of the institution is \$10,000.

Gaston, Ore.—The Gaston State Bank is the title of a new institution. B. R. Purdy is president and L. L. Paget cashier.

Mt. Leonard, Mo.—R. T. Brightwell and others will start a new bank at this place.

Jacksonville, Fla.—The Union Trust Co., is a new enterprise, capital \$200,000. John W. Dodge is president, John T. Alsop vice-president and Geo. E. Leonard secretary and treasurer.

Waynesboro, Ga.—The Waynesboro Savings Bank is being organized with a capital of \$15,000.

Tulsa, Okla.—A night and day bank with a capital of \$50,000 is being organized at this place.

Sherman, Tex.—The American Bank & Trust Co. has been organized with a capital of \$100,000.

Vernon, Tex.—The First Guaranty State Bank has been chartered with a capital of \$50,000. W. T. Waggoner, P. L. Green and J. H. Knichloe are promoters.

Toledo, Ohio.—The Maunee Valley Savings Co. has been organized with a capital of \$250,000.

Louisiana, Mo.—The Farmers State Bank is a new enterprise, capital \$50,000. D. M. Pearson is president, A. M. Walker and I. W. Avitt vice-presidents. L. T. Patterson cashier and R. G. Pribe assistant cashier.

St. Louis, Mo.—A new trust company is being organized to be located at Choteau and Vandeventer avenues, with a capital of \$100,000. William S. Draza is interested.

Atlanta, Ga.—It is understood that J. W.

Gillam plans to establish a bank at Marietta Street and Ponders Avenue.

Meansville, Ga.—The Bank of Meansville has been organized with a capital stock of \$25,000. E. M. Slade & Co. are promoters.

Ellisville, Ill.—Bert Snyder will be cashier of the new Farmers State Bank.

East Aurora, N. Y.—First National Bank, capital \$50,000 has been started. Benj. F. Webster, A. S. Griggs, W. X. Tackhary, F. H. Fuller, E. E. Godfrey are the organizers.

Warsaw, Ill.—The Farmers National Bank, capital \$25,000. John C. McMahon, president; John M. Hungate, cashier.

Florida, N. Y.—The Florida National Bank, capital \$25,000. Joel W. Houston, F. E. Tether, W. Harrison Wheeler, John K. Roe, and S. B. Houston.

Williamsburg, Ohio.—First National Bank, capital \$25,000. Nathaniel T. Dailey, president; James H. White, vice-president; James E. McKeever, cashier.

Apalachicola, Fla.—The American Exchange Bank is the title of a new chartered institution. J. N. Coombs is president, S. Brash and Frank B. Moody vice-presidents and F. B. Wakefield cashier.

Waynesboro, Ga.—The Peoples Savings Bank is the title of a new enterprise capitalized at \$25,000. William M. Fulcher is president and John L. Boyd vice-president. Directors: John L. Boyd, J. A. Blount, J. R. Palmer, Wm. M. Fulcher, Gray Quinby and Thomas F. Buxton.

Planada, Cal.—This is a new town near Merced, Cal. It is said a bank is to be organized at this place.

East Hartford, Conn.—A new trust company is to be organized here.

Chicago, Ill.—The Old Colony Trust & Savings Bank has filed articles of organization with a capital of \$200,000. F. G. Hoagland, C. H. Fisher and E. F. Parr are promoters.

San Benito, Tex.—The Farmers State Bank has been chartered with a capital of \$10,000 by W. E. Hawkins, Hulot Sterling, J. T. Porter, John Gregg, J. G. Fernandez and others.

Central Valley, N. Y.—A new bank is to be started here. H. D. Ford will be president, J. M. Barnes, vice-president and Geo. Cornell, cashier.

McDonough, Ga.—It is reported that Turner Bros., bankers, are to organize as a national bank.

Mt. Auburn, Ill.—The First National Bank of Mt. Auburn. Capital, \$25,000. John W. Augur, president; David C. Armstrong, vice-president; William Hight, cashier.

Hillsboro, Ore.—The American National Bank of Hillsboro, Ore. Capital, \$50,000. A. C. Shute, president; H. V. Gates, first vice-president; A. McGill, second vice-president; C. Jack, Jr., cashier; W. V. Bergen, assistant cashier.

Jonesville, Va.—The Powell Valley National Bank. Capital \$25,000. Robert L. Pennington, president; J. Clinton Woodward, vice-president; C. E. Couk, cashier; John W. Hyatt, assistant cashier.

Oxford, Ala.—The Oxford National Bank. Capital \$25,000. L. B. Miller, president; W. C. Gray and W. H. McKleroy, vice-president; Frank Leigh, cashier.

San Rafael, Cal.—The Bank of San Rafael has filed articles of organization with a capital stock of \$100,000. A. W. Foster, R. M. Hotaling, J. W. Harper, Danzel Storey, W. D. O'Brien, Lewis A. Hilborn and others are promoters.

Mainly About Banks and Bankers

(Continued from page 3)

too modest to claim any credit for himself, but did point out the fact that the Pittsburgh Clearing House, referring to an address made by Mr. Forgan at the Los Angeles convention, would get a very clear and authentic description of how the thing works.

FOR St. Louis the committee secured letters from C. H. Huttig, B. F. Edwards, and Festus J. Wade. Mr. Huttig was very emphatic in his endorsement and over his signature as president of the St. Louis Clearing House he invited the committee to visit that city, which was done.

BOTH Mr. Edwards and Mr. Wade spoke in unqualified praise of the system and placed the benefits to be derived from clearing house examinations above and beyond those being made by any other authority.

JAMES G. CANNON of New York is the author of a splendid book on clearing houses and always has held that bank examinations come legitimately within the field of the clearing house.

MINNEAPOLIS, St. Paul, Milwaukee, St. Joseph and many other western cities have adopted the plan. There seems to be every promise that the custom will become essentially universal.

IT is said that more than eighty-five per cent of the Alabama legislature favors the passage of the new banking bill prepared by a special committee of the Alabama Bankers Association. This special committee met once each month for a year before presenting a completed bill.

LETTERS were sent to upwards of two thousand persons, including bankers, financiers, educators, editors, and public officials, asking their opinions upon each section as it was adopted. Probably no other banking act ever was such a complete reflex of educated public opinion as this one.

TIME has been when special committees of bankers associations thought it the proper thing to hold star-chamber sessions. Fortunately this day has passed in the annals of bankers' organizations. Perhaps the national association would make greater headway in opposing bank guaranty, should it take a slightly different route from the one which it unsuccessfully followed in its opposition to the postal savings bank.

THE powerful American Bankers Association would seldom ever meet with defeat if it would adopt a policy of controlling such sentiment rather than one of opposition. There are those who rush in at every convention and get upon record as denouncing as "wild and extravagant" some notion which the public has about the public's business. This is the wrong route and the record proves it.

EDWARD F. LARSON, formerly an Iowa banker, but now cashier of the Citizens State, at Nampa, Idaho, has very vigorous views on bank guaranty. The following quoted paragraphs tell his belief.

"FOR the past two or three years, there has been a rapidly growing tendency and desire among bank depositors, as well as on the part of the bankers themselves, to provide some means, whereby the deposits in banks might be insured, and so guaranteed, that in case of failure of the bank, **there would be no possibility of loss to the depositor**, nor any delay or doubt in getting his or her money."

"IN the absence of any state law in Idaho, covering bank deposits, we have, after very careful consideration, decided to have our deposits guaranteed by the American Bankers Assurance Company of St. Louis, organized

exclusively for the purpose of guaranteeing bank deposits. This simply means, that there need be no more worry or doubt on the part of any depositor of this bank, as to the safety of his or her money. This guaranty operates in the same manner as a bond; if the bank fails to pay, the assurance company pays it without loss of time or money to the depositor."

"ALL public funds, such as city, county and state, are invariably secured by bonds to protect against any possible loss. The private depositor is entitled to just as much consideration as a municipality, and this is the principal reason for the growing demand for protection of the individual depositor. Why should he or she not be as fully protected as a treasurer holding public funds? Furthermore, if bank depositors know their money is absolutely safe, no matter what may happen, such occurrences as panics and bank runs would be unheard of. Business of every kind will move along smoothly without fear of financial disturbances, and there would be no loss of confidence. Confidence is the backbone of all business, and the lack of it, causes no end of trouble."

ALL of the above is Mr. Larson's own idea of the situation and how to meet it. Most bankers will disagree with him but he has a public demand to meet with which other bankers are not concerned. Concerning the efficiency and reliability of the guaranty companies, each banker will make his own investigations, of course.

IOWA has a special committee on legislation (not a secret junta) which meets at frequent intervals while the legislature is in session. President John McHugh, himself, takes an active part. Very soon the committee will issue a statement in which the good and bad proposed bills will be separated.

SOME new bills emanating from the committee also will be printed. Hundreds of letters are being received, from active bankers all over the state, which are carefully considered by the committee and many of the suggestions contained have been adopted and appreciated. It has not been possible to reply to each individual letter.

THE committee gives it as its opinion that the attitude of the senate and the house is most favorable for practical financial legislation.

J. H. INGWERSEN, president of the Peoples Trust, at Clinton, Ia., is having a busy time with people sending in checks signed by "M. H. Howard" who by making a small deposit secured a checkbook. The checks are of no value, the deposit having been withdrawn by Howard soon after it was made.

SOME one also is issuing a few checks daily on the Cedar Rapids Savings Bank, and giving Colonel Dinwiddie the time of his life. A favorite way of disposing of these checks is by paying a deposit on land purchases, the checks being of such size that change is coming to the pretending purchaser.

L. E. STEVENS, president of the Century Savings, Des Moines, boldly advertises "Under state control and supervision." Quite the fashion now, and very effective.

ILLINOIS bankers are being given an opportunity to secure copies of Dr. Hopkins' famous pamphlet on soil preservation for distribution to their farmer customers. Also to purchase safes at a discount, all through the activity of Secretary Crampton. Special committees of three bankers in each county are being selected to co-operate with the peace officers in the capture of bank robbers and crooks.

OLIVER F. SMITH has figures to show how good are the opportunities for outlying banks in Chicago. Mr. Smith is presi-

dent of the Citizens Trust & Savings at Garfield Boulevard (55th Street) and State Street and this is what he has to say of his gilt edge little bank.

"THIS bank recently increased its surplus account by \$2,500, making that item now \$7,500; charged off \$2,994 from fixtures account, eliminating the item entirely and has an undivided profit of \$2,400. It carries its banking house, which costs \$65,000, at \$33,000 and has total resources of \$435,000. We now pay ten per cent on a capital of \$50,000, \$165.00 per share has been bid for the stock and none is for sale."

CONGRESSMAN LITTLETON of New York has been labeled a "Taft Ambassador," but at the Chicago Bankers club banquet he kept to his subject, in an admirable address which is presented, in part, in another column in this issue.

THEY tell us that the fashionable board-walk set at Atlantic City was greatly disappointed that Vanderlip did not spring his yellow flannel dress suit on the Aldrich monetary conferees. The Marlborough-Blenheim was crowded in anticipation of a glimpse of the topaz-tinted, long-distance banker.

D. A. MOULTON was separated from his new auto for a few hours on Monday night. Fortunately it had gasoline enough only in the tank to run about 20 miles, when the thieves had to abandon it. This is a good tip! When you wish to leave your car outside of clubs at night see that there only is enough juice to go about ten miles.

BANKER GRAHAM has a new mayoral policy—that of giving the taxpayer value received for his money.

WE like to brag Iowa banking. Now there is the First National of Sheldon, a town of 3,000. The First is a million dollar bank for sure. It has resources of \$60,000 over the million mark.

THEN there's McNider's big bank over at Mason City. LeMars and Cherokee each has a bank close to the million line of distinction. One or two more big crops and over they go. The LeMars bank has been "up" at one or two calls. CASHIER.

Banks Buying Mortgages

Savings and trust funds are accumulating in Pittsburgh banks and trust companies so rapidly and steadily that some of the institutions are on the hunt for good mortgages. Of late a number of leading real estate houses have been asked by bank representatives if they know of any good mortgages that can be bought, and one mortgage broker states that few first-class mortgages are being placed through offices now, as banks and trust companies are eager to get them. This is making the procurement of choice mortgages by individual investors more difficult than usual, and is counted on to bring about more buying of improved property giving fair rent returns on its cost.

Bank Puts in Telautograph

The Minnesota Loan and Trust Company has installed the telautograph between the paying-teller and the bookkeeper, something like a quarter of a block away. The purpose is to expedite business and to insure correctness of information passing between the two. S. S. Cook of the company is satisfied with the results.

M. S. Atwood, pioneer banker, is dead at Beloit, Kan.

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

FEBRUARY 25, 1911

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Banking Opinion

"In general trade there is a feeling of hopefulness and even confidence," said Vice-President August Blum of First National to a representative of THE CHICAGO BANKER, Thursday. Possibly there is a little disappointment at the backwardness of business but that pertains to the banks rather than to mercantile institutions.

"The banks find the money market dull. There is more money on hand than the commercial houses require and consequently rates are low. Nevertheless we know there is a steady gain in the iron and steel market and a reasonably good trade in the jobbing lines. Conditions are all right and there is no discouragement among business people."

"The banks will find improvement in the loan department as spring trade comes on and the season's real estate program develops. Bonds will continue to absorb a great deal of capital and that is a condition which will help banks and all other houses."

Sees Progress in Northwest

There is no better informed banker in the Northwest than C. L. Timmerman, cashier of First National of Mandan, N. D. Mr. Timmerman, like all western bankers, takes a keen interest in agricultural affairs. He is president of the North Dakota Dry Farming Association and is an enthusiast on the scientific cultivation of the soil. The Dakotas will not curtail their wheat production on account of last season's short crop but if the spring is favorable they will add considerably to the acreage. The acreage of corn will be materially increased, as both states are engaging quite extensively in live stock.

"People in the Northwest are as courageous and hopeful as ever," said Mr. Timmerman. They have had a large measure of prosperity and the touch of drouth last summer will not check their enterprise in the least degree."

Praises Aldrich Plan

John T. Scott, vice-president of Houston First National, has returned from Atlantic City and other points in the East. He is loud in praise of the Aldrich plan.

"The bill as modified," said Mr. Scott, "is one that will prove a great blessing to the country should it be passed, as I earnestly hope it will. It does away entirely with the central bank idea, which seems to have met with considerable opposition, and instead of that provides a great central clearing association in which banks in the country will all be directly interested. Its enactment into a law would instantly improve the financial situation and would result in putting an end to panics

Money Inactive

Chicago bankers report a dull money market, with rates off a fraction or two within the week. It is possible a majority of loans, large and small, are made at 5 per cent and yet the larger transactions are at 4½ per cent.

With a light business in mercantile loans local banks have accepted considerable com-

Prominent in State Association Work



GILGER E. MacKINNON

Des Moines, Iowa

Mr. MacKinnon is one of the younger crowd in Iowa Association banking affairs. He has been quite active in the ranks and now is vice-president. He also is vice-president of the Mechanics Savings Bank.



RALPH PAYNE

Rushville, Indiana

Mr. Payne has been active in the Indiana Association and holds the office of treasurer. At home he is cashier of the People's National. He was on the winning side in the big fight for a better banking law.

mercial paper at 4 per cent. A little business has developed in call loans at the same figure. Nearly all real estate loans are at 5 per cent.

The bond market has maintained the appearance of activity, and all reliable issues returning 5 per cent or better are being absorbed with considerable rapidity. Of course there is the usual demand for gilt-edge securities paying 4 to 4½ per cent.

W. P. Manley

President W. P. Manley of Security National Bank, Sioux City, was a visitor at Merchants Loan and Trust Tuesday. Sioux City is a veritable trade barometer. No place of its size could be more so. It has the usual retail trade of a provincial city and an unusual diversity of manufacturing and jobbing. The live stock and grain markets of the city bring the banks into close relationship with the farming community as well as with city business men. Mr. Manley says the turn has come in general trade and he looks for a prosperous season from this on.

The Merchants' & Manufacturers' State Bank of Minneapolis has created two assistant cashiers. Those elected are H. E. Leighton and A. L. Witte.

Tells of Progress

President R. E. Trabue of Guaranty State Bank, Carthage, Texas, has been a visitor at LaSalle Street National in Chicago this week. Mr. Trabue represents an old and conservative community in the eastern section of Texas and his story of the commercial awakening there is worth listening to. It is the story of the rejuvenated and progressive South. Although Carthage is an old and substantial town and Panola naturally one of the richest counties in the state it is only within ten years that farm land has advanced from an average of \$10 an acre. To-day the average is upwards of \$50, and any of the modernized places, conveniently located, can be sold at about \$100 an acre. Mr. Trabue, like M. G. Buckingham, of Memphis, whose views were given in THE CHICAGO BANKER last week, attributes this prosperity to a diversification of farming and business interests. In the Carthage region farmers can raise fruit, vegetables, grain, tobacco and cotton, as well as live stock, and many of them are doing so. There is so little frost there that double cropping is a common thing. A farmer can take off a crop of vegetables or oats and then plant cotton or corn, with a reasonable certainty of success. With this great progress in the country business generally is improving.

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Mainly About Banks and Bankers

PAGE one of Friday's (last week) Tribune gave even the old-timers hopes that they were going to tell "Who is Putting Up" for the year-long, country-wide fight to give some one else Lorimer's seat in the U. S. senate. But they didn't tell, nor name their family candidate. It was but a little further attempt to cudgel the mayoral candidates up to the box office.

THAT Elephant which "nearly ran his tusk through Elbert Hubbard," when it came to trial pleaded justification. They had attempted to make him listen to one of the Fra's lectures.

A. J. BARKLEY has retired from the presidency, as well as from partnership, in the Boone County Bank, at Boone, Iowa. Mr. Barkley says the bank is in good condition. He was with the bank for twenty-seven years and during all that time kept an account with the Corn Exchange National, Chicago. Mr. Barkley was severely wounded in the Civil War and was a prisoner of war, all of which are beginning to tell on his strength.

T. L. ASHFORD is the new president, and J. H. Rickenberg, vice-president. Archie Patterson will remain as cashier. The officers are "partners" in the bank.

GEORGE B. IRICK is the new cashier of the Boone National. Mr. Irick has been a migratory but prosperous banker for some time, but now has "settled down," so his friends think.

WHEN we began to hear of him he was president of the Des Moines chapter and working in Homer Miller's bank. From there he went to a cashiership at Stuart; then to the same title in the First National, at Dundee, Ill., where he remained until February 1st of this year. He has the reputation of being a "comer" and has enjoyed the friendship and assistance of Mr. Miller at all times.

MESSRS. MILLER and Irick worked together for and helped to build up the C. & N. W. Ry. to its present high state of efficiency and income before going in for the uplift in banking. They're a pretty good pair to draw to (or from) as the case may be.

"SOUTH AMERICAN IMPRESSIONS" is a handsome little booklet containing the collected letters of George and Frederick Woodruff, "writ to the home paper," while those two young globe trotters were "doing" South America. Good stuff! Every thing is original and nothing of the guide book flavor to it. We are waiting for their book on China and on George Woodruff's "revised and rejuvenated" views on the "ancient" constitution of the I. B. A.

ON March 1st the Bartlette Syndicate, operating in Chicago real estate, at about mortgage values, expects to increase its capital from \$500,000 to one million dollars. It is understood that the business for some years

has been paying around 12 per cent, sometimes more. The stock or share distribution is in care of E. D. Stevens, vice-president of the Drexel State Bank.

A SOUTHERN banker culls this from somewhere, but says it's every word true:

Weep and you're called a baby
Laugh and you're called a fool,
Yield and you're called a coward,
Stand and you're called a mule,
Smile and they'll call you silly,
Frown and they'll call you gruff,
Put on a front like a millionaire—
And some guy calls your bluff!

"THE State We Live In" was the subject of J. H. Ingwersen's address before Group Eleven, Iowa, which met at Burlington on the 22d. C. A. Carpenter spoke on "Problems of a Country Banker." We are told that Mr. Ingwersen's address, outside of the state, might have sounded like a blast from a booster, but that in Iowa "it went good."

IT was the fourteenth annual meeting of this important group and closed with a fine banquet at the Hotel Burlington, a new hostelry of which that city is very proud. The invitation sent out by Secretary E. R. Lacey stated that "Your officers, directors and the boys who do the work, are all cordially invited, and earnestly requested to attend."

WASHINGTON has a fine, efficient, new banking law, and is very proud of it. The Tacoma clearing house in passing a resolution touching upon the character and standing of the late Robert L. McCormick, so long president of the Pacific National referred to him as "one who was in favor of the enactment and enforcement of sane and sound banking laws. In his life he exemplified in the highest degree the type of a patriotic, public-spirited citizen."

HOW much better to have left such a record than to be remembered as one who opposed every reform, every safeguard, and all for the fear that certain forms of banking should not longer escape state inspection and supervision? All honor to the memory of Mr. McCormick.

OVER in Detroit there died the other day a paroled banker from Ohio. In his day he was cashier of a prosperous national bank at Oberlin. He was a proud leader in business and religious work at home and was respected far and wide. Then the temptress came. Carrie Chadwick, pretending to be a near relative of Andrew Carnegie and willing to discount her notes at 70 came along.

ALMOST in no time she had busted the bank and Spear was on his way to the pen. Here we pause (take note of the pause) to remark that about ninety per cent of the bogus paper put over on the banks would never get over at regular rates. The bankers are not so dumb as all that. The big discount, direct or indirect, is the main cause of the ruin.

CHICAGO special, an all compartment car train de luxe, for the Nashville meeting of the big council on May 1st, 2d, and 3d, will leave Chicago over the C. & E. I. Ry, Saturday, April 29th at 6 p. m., with dinner (also de luxe) on board. This is the direct route to Nashville and the arrival time will be Sunday morning. Those who have reserved compartments to date are as follows: Car A. L. A. Goodard, G. M. Reynolds, Lucius Teter, J. Fletcher Farrell and Ralph Van Vechten, all of Chicago, John L. Hamilton, of Illinois and Arthur Reynolds of Iowa.

CAR B will have: V. B. Caldwell, Omaha; A. J. Frame, Waukesha; E. D. Durham, Illinois; Joseph Chapman and George F. Orde, Minneapolis; C. H. McNider, Iowa; Clay H. Hollister, Michigan; C. E. Batcheller, North Dakota; E. R. Gurney, Nebraska and A. H. Marble, Wyoming.

CAR C will be: John J. Sherman, Wisconsin; B. F. O'Neill, Idaho; O. H. Havill, Minnesota; E. L. Johnson, Iowa; L. G. Kaufman, New York and Michigan; E. J. Parker, Illinois; Geo. C. Power, St. Paul; W. J. Bailey, Kansas; J. H. Johnson, Detroit and Gordon Jones, Denver.

THOSE reserved in Car D are: C. M. Sawyer, California; Harry Yeager, Montana; B. C. Downey, Indianapolis; A. B. MacCaughey, Chicago; William Livingstone, Detroit; William George, Illinois; R. C. Stephenson, Indiana, and Emory W. Clark, Detroit. Oliver C. Fuller, Milwaukee has a drawing room and perhaps a half dozen are not sure they can attend. If you know of any one who isn't on the list who ought to be, just jog him up. Most of the members will be accompanied by their wives.

J. C. BASSETT of South Dakota hasn't reserved but "is going to make the trip with the other bankers on that date." Perhaps the "green goods" notion of the Chicago Special will fade away when he reads the above list.

EDITOR SCHAEFFER of the Chicago Evening Post received the following valentine aimed at his glistening dome, and just to show he didn't care printed it in his funny column:

Weep, for the years have scattered into flight
The hair that once thy head bedecked aright,
And bare as any egg thy poll now shines,
Unless with hat or wig 'tis hid from sight.

YES, we read the Hazen broadside, intended to blow something he doesn't like clear to Hades, but we expect to learn that Col. Paton will continue to editorialize in the Journal as much as before. Some persons are so hard to please.

WHAT the Journal was meant to be when conceived hasn't anything to do with what it is to-day. Like the "bank clerks' organization" it has developed. The former clerks' organization which many of our ablest bankers believed to be a "labor organization" and which some able editors denounced, now
(Continued on page 31)



COLONIAL TRUST AND SAVINGS BANK

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American and Canadian Banking Reforms

Prepared for European
publication by W. R.
Lawson, of London

PART I

The Americans are still pursuing with unabated and apparently unquenchable enthusiasm their favorite will-o'-the-wisp panic proof banking. In quite a different way and a different spirit the Canadians are engaged on the decennial revision of their banking law. Two operations so utterly unlike each other as these can hardly be imagined proceeding together side by side. A contrast almost comical in its violence is presented by the schemes of banking reform now being discussed at Ottawa and Washington.

Senator Aldrich's latest project, which was suddenly sprung on congress after the Christmas holidays, is more than usually dramatic even for him. It signalizes quite a new departure of the arch-reformer. He throws over his original idea of a central bank to rival the Bank of England and substitutes for it a nondescript body called a reserve association. But judging from the telegraphic description given of it the change is rather in the name than the thing.

According to the New York correspondent of the Standard what is proposed is the establishment of a "Reserve Association of America," representing what may be called a federation of local associations of national banks. It would be chartered for fifty years with a capital of approximately £60,000,000, and a head office in Washington. It would be the principal fiscal agent of the government and would fix the rates of exchange and discount. Its notes would eventually replace those of the national banks and they would be based on prime commercial paper as well as on government bonds.

A lot more to the same effect occurs in the Standard cable, but such strong medicine must be taken in small doses. The above sample is enough to start with. It opens up a new field of great extent and variety. Whether we consider the vast scope of its proposals or their extreme novelty or the multitudinous opposition they are certain to provoke, it will be seen that it is not likely to be realized in a hurry. With thinly disguised sarcasm a correspondent remarks that "there is no present prospect of its enactment." It is in reality only a contribution to the international museum of banking and currency schemes which the monetary commission have spent half a dozen years in collecting from all the ends of the earth.

The one clever feature in Senator Aldrich's "Reserve Association" is that it is made to appear a proper evolutionary development of the national banking system. If it were found workable it would be a natural and consistent crown to the existing organization of reserve banks and clearing circles. Already there is a gradation of reserve cities and central reserve cities with a sphere of its own. The small rural bank is allowed to keep a certain proportion of its statutory reserve in the larger banks of a neighboring town. The latter in turn to pass on a proportion of their statutory reserve to one or other of the great cities—New York, Boston, Philadelphia, Chicago, or San Francisco. The process stops there, however, and it certainly seems to break off prematurely.

What Senator Aldrich now proposes is to

powers which Senator Aldrich proposes to heap concentrate the reserves of the great cities in a specially constituted reserve bank. With becoming modesty he would also absorb into it the treasury. Thus, on the very threshold of his enterprise he runs his head into trouble. Neither the senate nor the house of representatives will be so ready, as Senator Aldrich assumes, to sacrifice the treasury to a banking monopoly yet unborn. The national banks will be equally little attracted by the proposal to transfer their note circulation to the central bank. The exchange bankers in New York who are both numerous and powerful, will smile at the idea of the reserve association fixing the rates of exchange and discount for them.

That is a good deal more than even the Bank of England attempts to do. It fixes a minimum rate of discount for its own customers—who are chiefly banks, discount houses, and financiers. As a rule it has the means to make that official minimum effective, but not always. There are times when it cannot control the outside money market, and then it has simply to stand aside until its power returns. Such an artificial arrangement would not work everywhere. It may be questioned if any other institution than the Bank of England could ever have maintained it in England. Senator Aldrich, himself, appears to have at last discovered that it cannot be acclimatized in the United States.

The substitute he offers—his reserve association—would attempt not only all that the Bank of England does, but some other things which it has always fought shy of. It is long since Threadneedle Street imagined that it could move the foreign exchanges to suit itself and its customers, and not many men in New York have the moral courage to risk life and fortune in such a venture. The crucial difficulty in the working out of such a stupendous scheme is to find reliable directors and managers. It is not skill or capacity or judgment that would be lacking. These, though not universal even among the Americans, are in ample supply for the occasion.

The fatal difficulty would be to prevent the reserve association, in other words the central bank, from being utilized for private ends. With that view Wall Street has been warned off, but mere warning will be no bar to Wall Street. Certain banking interests would also be tabooed—much to their own amusement. There might be many ways of getting into the inner circle of the reserve association besides entering by the front door. The men who were most vehemently tabooed might be the first to get in, and they might penetrate the farthest. The

on his inner ring of reserve banks are too large for even exceptionally honest and capable men to exercise without rigid control.

The reader will feel it a great relief to turn from the barren and interminable controversies in which American bankers seem to be always involved to the comparative calm which pervades banking circles in Canada. Accidents happen, of course, in Canada as elsewhere, bad banking comes to light now and then, and occasionally it is so bad as to bring the offender to grief. But above and beyond all these passing troubles there is, among Canadians, a strong feeling of confidence in their banking system. They have faith in the system itself, in the principles on which it is based, and in the men who direct it.

So far their faith has been amply justified by results and by actual experience. These have been so remarkable as to attract attention and even to excite envy in other countries. While Canada was still a poor country its banking system was universally recognized as a valuable asset. Skeptical critics suggested that its limited resources and the small volume of its business might be the real causes of its success. "Wait," they said, "until it can be tested on a large scale and see what happens then." In the past ten years it has undergone that larger test and come through it so far satisfactorily. When the call came for capital and credit to finance the westward rush of settlers it was provided promptly and liberally. The only danger was that it might become too generous. And as the eastward movement of produce expanded it, too, was financed with seldom a hitch.

The boom of 1905 to 1909 in the Northwest would soon have found out the weak joints in an unsound banking system. If Saskatchewan and Alberta had been suddenly covered with American national banks as they were with branches of old-established Canadian banks, it is awful to think what the end might have been. But the Canadian banks were equal to the occasion. They exhibited a reserve power and capacity of expansion which added not a little to their previous reputation. At the outset they excited admiration by the energy and rapidity with which they responded to the new demands suddenly sprung on them. At the finish they were no less admirable for the self-restraint they showed and the firmness with which they checked a great wave of speculation that might soon have passed out of control.

Of all the Canadian ideals lately developed, none has come so near realizing itself as the banking system. None is therefore better worth studying at the present moment. The future of the Dominion depends more on it than on almost any other Canadian institution. Parliaments may do a great deal of harm, but they can do comparatively little good. Tariffs may come and go, they may swing from one extreme of free trade to the opposite extreme of protection. But the banks must steer a straight course and sail as near as possible on an even keel. A blind outcry for banking reform, such as they are always having in the United States, is presumptive proof, not only

that banking reform is needed, but that the whole banking system must be on wrong lines. In Canada there is never any such blind outcry. Most of the reforms demanded are only in matters of detail.

Canada has indeed been fortunate in its banking legislation. This has been eminently reasonable, and always adapted to the special circumstances of the country. Theorists and faddists have had very little to do with it. Except, perhaps, in the old provincial days, there have never been rival banking schools in Canada. All parties have had a common desire to get what seemed best for the immediate purpose. Canadian bankers have had a greater voice in making banking laws than those of any other country. They have been frankly consulted as to every change, and their practical suggestions have always been welcomed, both by the government and the legislature. They, on their side, have kept a sharp lookout for operating defects, and generally have them remedied before they could do much harm.

A good understanding between the legislature and the banks has invariably prevailed. It has, as a rule, been reasonable in its demands, and they have always done their best to comply with them. Trade interests, too, have been at all times honestly considered. Banking facilities have been provided for every possible branch of trade, new or old, and for all classes of service, private and commercial. Per contra there are few redundancies and no out-of-date machinery in the system. Few banking laws are so frequently and carefully revised as those of the Dominion, and the revision is invariably done with a single eye to efficiency.

Scotland, which gets credit for nearly all the good features in modern banking, is supposed to have supplied the model for the Canadian banks, but there is little warrant for that legend. It would be more correct to say that Scotland had supplied Canada with the best of its pioneer bankers. These gentlemen took out with them, no doubt, large amounts of Scottish experience and practical wisdom which were usefully applied to Canadian conditions. But very little was copied from either the Scottish or any other banking system. In the earliest experiments a good deal of attention was paid to English theories and methods, but when it was found that they did not suit Canadian circumstances they were gradually dropped. The banking system as it exists to-day is to a large extent home-grown—very few banking systems more so. Through nearly a century of development it has been shaped and moulded and modified to suit the needs of its creators. That circumstance renders its history peculiarly interesting and instructive both to bankers and to currency experts.

Banking legislation in Canada is divided into decennial periods. The latest of these began in 1900, and is now drawing to a close. A new period will begin on July 1, 1911, and a bill to effect what are deemed necessary amendments and extensions of the existing law is now before the Dominion Parliament. The whole of the existing bank charters will have to be renewed in order to bring every bank in Canada under its provisions.

From the Bank Act of 1890 the cardinal features of the Canadian bank law can be ascertained. At that time there were thirty-four banks incorporated under its provisions. Clause 3 limits their charters to July 1, 1911, consequently they will soon have to be renewed. These charters have hitherto been granted only for ten years, but this time an effort will probably be made by the banks to have the period made twenty years. The idea of terminable charters was probably suggested by the early history of the Bank of England, but it has had much more practical effect in Canada than in London. While renewal in the case of the Bank of England charter was never more than a matter of quid pro quo, it has been made

in Canada an occasion for thorough scrutiny of the law and resolute attempts to improve it. From every decennial revision it has emerged a better law than it was before. Points hitherto overlooked have been settled, and adjustments have been made to new conditions. New kinds of business have been specially provided for as they arose. The law has been in a constant state of evolution and adaptation.

The Act of Incorporation has to set forth the name of the bank, the capital stock, the place where the head office is to be, and the names of the provisional directors, who must not be less than five. The minimum amount of capital is half a million dollars, and it must be divided into hundred-dollar shares. Not less than a quarter million dollars must be paid up and deposited with the minister of finance before a meeting of subscribers can be held to definitely organize the bank. Then a certificate has to be obtained from the treasury before it can commence business or issue notes. No step apparently can be taken without the sanction of the treasury board.

The provisions to regulate subscription of capital, calling it up, increasing or reducing it, transferring shares and transmission by marriage or death are much the same as those of ordinary joint-stock companies. It is when we come to the forms of account prescribed, the limitations imposed on dividends, and the prohibitions applied to unsound business, that the speciality of this Canadian law becomes evident. The section dealing with note circulation is of vital interest, having had much to do with the success of the Canadian banks. It opens with clause 61 which says, that any properly organized bank may issue and reissue notes payable to bearer on demand. They are subject, however, to a number of restrictions which, so far, have proved efficient safeguards.

First, no bank note is to be for a smaller amount than five dollars—the government itself providing the one, two, three and four dollar notes.

Second, the total amount in circulation at any time is not to exceed the unimpaired paid-up capital of the bank.

Third, any bank which suspends payment of its liabilities must cease to issue notes, and cannot resume issuing without the express authority of the treasury board.

Fourth, it is forbidden to banks to pledge, assign, or hypothecate their notes.

In addition to these negative and indirect safeguards there is a positive one of still greater value, namely, the circulation redemption fund.

Bank Pensions

New York, February 23.—The First National bank announced to-day that a scheme for pensions for all its employees went into effect on February 14th. The foundation fund was a subscription of \$100,000 given by the bank. There will be contributions from each of the subscribing employees to the extent of 3 per cent of the yearly salary to keep up the fund. Installments are payable into the fund monthly, the amount being deducted from the employees' salary by the bank's management. Only the president, vice-presidents, and the cashier of the bank are excluded.

According to the bank's schedule of benefits, any employee who has arrived at the age of 65 years, after fifteen or more years in the bank's service, may retire on a pension. If he has worked in the bank for twenty-five years the pension will be for the rest of his life. If he has worked less than twenty-five years he receives a pension for as many years as he has been with the bank up to the limit of fifteen years.

The amount of the annual pension to the subscribing employees will be 2 per cent of their average salary for five years previous to the date when any pension becomes payable, multiplied by the number of years of service in the bank up to that time. However, no pension shall exceed 70 per cent of the average annual salary and no pension shall be more than \$5,000 a year.

The widow or family of a dead employee will receive half of the pension to which that employee was entitled at the time of his death.

STEEL BUSINESS IMPROVES

The United States Steel Corporation is now operating about 61 per cent of its blast furnace capacity, an increase of 5 per cent so far this month. Finished steel production shows a much greater improvement. The independent steel manufacturers are operating between 70 per cent and 75 per cent of their blast furnace capacity, and between 85 per cent and 90 per cent of finished steel capacity.

This was made up of contributions equal to 5 per cent of the average circulation of the bank during the preceding year. Adjustments take place annually, each bank making up any deficiency or drawing out any surplus there may be over its proper quota. When a bank is being wound up the liquidators shall, before the final distribution of the assets, pay over to the treasury a sum equal to the amount of the outstanding notes, less the 5 per cent already held in the circulation redemption fund. This relieves the bank from all further liability, the actual process of redemption having to be carried out by the treasury. This is in accordance with American practice in like circumstances.

A large number of the most distinctive provisions of the act are devoted to definitions of its powers and the kinds of business it may carry on. It may (1) open branches, agencies and offices, (2) deal in gold and silver coin and bullion, (3) "deal in, discount and lend money and make advances upon the security of, and take as collateral security for any loan made by it, bills of exchange, promissory notes and other negotiable securities or the stock, bonds and obligations of municipal and other corporations, whether secured by mortgage or otherwise, or Dominion, provincial, British, foreign and other public securities." Under this clause a Canadian bank can lend on practically anything except real property. Even that it may take over as additional security for debts contracted in the usual course of its business but it must not be held for more than seven years.

(To be concluded)

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ILLINOIS BANKING NEWS

By C. C. Burford

The citizens of Peoria are proud of their many strong banks but no institution in the city stands in higher favor than the Home Savings and State Bank. Housed in one of the best equipped and handsome banking rooms in the state, it is a monument to the progressive spirit of Peoria. Valentine Ulrich, the president of the bank and its organizer in 1892 is a German-American citizen of Peoria who has the confidence of the people. Organized during the hard times the stock was oversubscribed and was finally limited to \$120,000 and many would-be purchasers did not secure stock. The bank earned 21 per cent profits in 1909 and 25 per cent in 1910. Charles E. Ulrich is vice-president and Henry Ulrich is the cashier. The bank is located in the new Jefferson building.

Run On Middletown Bank

The failure of the Middletown Coal Company caused a run on the Farmers Bank of that village. A number of depositors knowing that the bank held considerable paper of the coal company became alarmed over the situation and withdrew their funds. The bank readily paid all depositors who demanded their money and within a few hours confidence was restored and many of the frightened customers returned their funds. However, the greater part of the customers of the bank made no move to demand their money. Middletown is in the vicinity of Lincoln.

"Made-In-Rockford" Show

The Chamber of Commerce of Rockford has just closed a "Made-In-Rockford" Show which has demonstrated that there is a wide variety of manufactures in that city. The exhibition has been such a success that there will be an effort to have it made an annual affair. Arthur G. Brown, secretary of the Chamber of Commerce was one of the spirits who moved around a little to make the show a success. The show established better than ever the fact that Rockford is one of the best minor cities in the Central West.

Sheriff Routs Mud and Darkness

Deputy Sheriff Morrison of Bloomington made a successful pursuit through the roads of black rich McLean county after one Roy Houghham who had pulled off the check raising stunt. The officer was forced to walk his prisoner a mile and a half over country roads which were said to have been "something fierce" and at last came safely through the night with his charge to Bloomington. Houghham raised a check on the McLean County Bank of Bloomington from \$8 to \$80.

Old Times Recalled

The Ridgely National of Springfield is in its elegant new quarters. The venerable president, William Ridgely, was the center of personal interest on opening day, February 14th, as he has spent over fifty years in the banking business in Springfield. He is the dean of the bankers of that city while John W. Bunn of the Marine Bank and Henry C. Latham of the Sangamon Loan and Trust Company are both veterans in the service.

One of the most interesting callers on open-

ing day was Josiah Beard, a carpenter of Springfield. He is an old depositor of the bank and in 1852 he built and fitted bank fixtures for Nicholas Ridgely, the father of William Ridgely. "I put in many a good day," says Mr. Beard "preparing the quarters of the Ridgely Bank for Nicholas Ridgely. He was about the entire bank, for in those days a bank did not need so many assistants and officers. The fixtures I built were nothing like the present arrangements. The money was passed over a counter like a store counter. That constituted most of the bank furniture."

Bondholders Bring Suit

Charles Peabody of New York, acting for himself and other bondholders, has filed a suit in the federal court in Danville for foreclosure proceedings against the Indianapolis Southern railroad, now a part of the Illinois Central, in which \$10,000,000 is involved.

The road, which runs from Indianapolis, Ind., to Effingham, Ill., was organized in 1906 and a bond issue of \$10,000,000 was authorized. It is stated in the petition that during the five years of its existence no interest has been paid.

Illinois Notes

R. T. Ricks, cashier of the First National of Pittsfield, and other business men of Pike county are interested in the establishment of a new bank at Rockport.

Len Small, president of the First National of Kankakee, has been elected president of the Illinois Association of County Fairs.

A permit has been issued by the state auditor for the establishment of a new state bank at Walnut Hill, near Mt. Vernon. The capital will be \$10,000. L. L. Emmerson of Mt. Vernon will be the president and J. W. Kell of Walnut Hill will be the cashier.

Would-be burglars were frightened away before they gained entrance to the Stillman Valley Bank, in a village of the same name near Rockford. Shots were fired by citizens after

the escaping robbers and one was wounded. The charge placed under the vault failed to wreck the door.

Professor David Kinley, director of the business courses at the University of Illinois, was recently invited by the Peoria Association of Commerce to deliver an address. His subject was announced to be "Trade Relations with South America."

There will be no new bank established at Saybrook, McLean county. It is true that there were efforts by a Fairbury party to enter the Saybrook field but the proposition was not pushed through to a successful end. Saybrook has two banks but both owned by the same men and it is interesting to notice if they will be left unmolested by new banks.

Fred Davis, an expert in check-raising, is in jail in Rockford waiting for trial in April. He has operated in Bloomington and also in the state of Michigan. He has used a number of names in his work.

GAIN FOR OREGON BANKS

The State Bank Examiner reports an increase of savings deposits in the banks of Oregon for the year of 1910 of \$2,553,043. There were in all classes of banks in the state savings deposits of \$13,298,432 on January 7, 1911. Of the 234 institutions, 77 were national banks.

A remarkable feature of the statement of the examiner for that state is the increase in savings deposits of national banks. On January 31, 1910, 72 banks had \$406,783, and a year later 77 of them had \$1,682,449, making an increase in that year of \$1,277,666, or more than three times the amount of deposits of the year before.

MORE STOCK GOING TO EUROPE

Directors of the Southern Pacific Company at a special meeting Tuesday authorized a \$50,000,000 issue of collateral trust 4 per cent franc bonds of the Central Pacific Railway Company. Negotiations are under way for sale of these bonds with Paris bankers. The above authorization was technically an authorization by stockholders, as the Southern Pacific Company owns all of the \$84,275,500 outstanding Central Pacific Railway stock.

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SYNOPSIS OF CHAPTERS

I.—Safety and Security. II.—Bonds and What They Represent. III.—Stocks and What They Are. IV.—Analyzing Railroad Securities. V.—Industrials and Tractions. VI.—Investments vs. Speculation. VII.—"Get-Rich-Quick" Schemes. VIII.—Reorganizations and Syndicates. IX.—The New York Stock Exchange. X.—Wall Street Phrases and Methods.

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THE CHICAGO BANKER

MONADNOCK BLOCK

CHICAGO

St. Louis Bankers' Club

of the Aldrich plan. Festus J. Wade and Breckenridge Jones

This new organization starts out with a most vigorous discussion of the provisions on opposing sides as usual

St. Louis, Mo., February 22.—The St. Louis Bankers Club has started out, more as a forum for the adjustment of mooted questions than as a social, banqueting organization. At the meeting last evening those two famous orators who have met in opposition upon almost every banking question ever proposed at home, or in the trust company section of the American Bankers Association, Colonels Festus J. Wade and Breckenridge Jones, met once more.

There was a full house and Col. Wade opened the ball by coming out promptly, eloquently and emphatically, for the Aldrich plan of organizing reserve associations. He said in part:

"The suggested plan for monetary legislation, submitted to the United States Monetary Commission by Senator N. W. Aldrich, is a most remarkable piece of constructive legislation. Each postulate is stamped with a clearness of thought and a depth of constructive power only great statesmen possess.

"It eliminates absolutely the heresy of bank guaranty on one hand and unsound money on the other, and creates an elasticity of currency that will meet the needs of commerce. It provides three classes of banks: the national or commercial institution; the national trust company, a composite of both; and the national savings bank.

"The proposed capital of the reserve association will be approximately \$300,000,000 the head office to be at Washington, D. C. There will be fifteen branch offices or districts, embracing every

part of the United States. All will be operated on the same broad plan for the benefit of the entire people, irrespective of locality or party affiliation.

"The capital stock of the association will be owned exclusively by national banks and national trust companies each of which will be allowed to subscribe to no more and no less than twenty per cent of their respective capitalization. Thus the \$25,000 bank or trust company will own the same proportion of stock as held by the \$5,000,000 bank or trust company. If the bank or trust company increases or decreases its capitalization, it may also increase or decrease its holdings in the reserve association; to be charged the increase or allowed the decrease in stock at the book value of the national association. No individual and no corporation other than a national bank can ever own a share.

"Fifty per cent of the face value of the stock is to be paid in by each subscribing bank; the remainder, fifty per cent, subject to call, and is a first lien on the subscribing bank. Out of the net profits, stockholders are to receive four per cent. Earnings greater than four per cent and up to five per cent are to be divided: one-half to go to the reserve association until its surplus shall amount to twenty per cent of the paid in capital; one-fourth to go to the government of the United States; and one-fourth to the stockholders. But when stockholders' dividends shall reach five per cent, they shall receive no additional distribution.

Thereafter, two-thirds of the net earnings over five per cent shall go to the government, and one-third to the credit of the surplus of the reserve association.

"All subscribing banks will be divided into local associations, each association to be composed of not less than ten banks, and each local association must have at least \$5,000,000 in the aggregate of its capital.

"These local associations will be grouped into fifteen districts, equitably divided throughout the United States.

"Every subscribing bank must become a member of the local association of the district in which it is located.

Then Came the Opposition

From his old antagonist, Breckenridge Jones, came an unexpected attack upon the Aldrich plan which is some of its fiery passages seemed to astonish the bankers present. Colonel Jones' remarks followed those of Charles H. Huttig, president of the Third National Bank, and Festus J. Wade, president of the Mercantile Trust Company and the Mercantile National Bank, who are members of the American National Bankers Association Currency Commission and who participated in the work of the National Monetary Commission.

Arguing against the consolidation of power and money, against the concentration of authority in the federal government and for the sovereignty

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of the individual states, Mr. Jones insisted that the public would not tolerate the amassing of strength and the exercise of domination by the territory lying east of the Allegheny Mountains.

Mr. Wade responded and refuted the contentions of Mr. Jones.

B. F. Edwards, president of the National Bank of Commerce and president of the club, presided. David R. Francis and others spoke. About fifty officers of St. Louis banks attended.

Independence Threatened

Mr. Jones predicted the alignment of wealth and power with the government, and this would forecast an end, in the popular mind, of independence.

In part, Mr. Jones said:

"Establishing a bank is not among the enumerated powers of the federal government. But a national currency was required. The government found need for an acceptable fiscal agency. The consumable products of the country had to be moved from state to state and to foreign countries, and a recognized, legalized standard currency was required to facilitate such exchange, and there was demand for an institution whose credit was broader than state lines.

"It is true that great latitude has been given to the 'general welfare' clause of the constitution, and it is also true that there are many in sympathy with the declaration that was made by President Roosevelt in his speech at the Jai Alai Building here in St. Louis, that the 'constitution is a living organism,' thereby implying, as I think he meant, that by construction, as an implied power, the constitution could be made to adjust itself to what might be found to be the necessities of the case, and there may be other ways at times or arriving at desired action by the federal government.

"For example, the last Republican National Convention declared, 'We favor the establishing of a postal savings bank system for the convenience of the people and the encouragement of thrift,' and President Taft explained that, in order for the bill to be constitutional, the postal savings bank must be made 'an instrument of nation-

al government in borrowing money.' There was no pretense that the encouragement of thrift was within the scope of the constitution, but, as a postal savings bank was desired, a way was found to get one.

"Another illustration is the law requiring corporations to make full returns of their business to the federal government and making such returns 'public records.' The official messages, etc., show that the moving purpose in the legislation was publicity as regards the affairs of the corporations, and to put them under federal control.

"It was recognized that these purposes were outside the constitution, and so, to make the legislation within the constitution, the subterfuge of providing revenues by taxation of the corporations on their earnings was resorted to when the amount of money that would be raised thereby was not claimed by anyone to be so considerable as to be a matter that would lead to specific legislation.

Denies Federal Power

"One provision of the Aldrich plan provides for a class of national banks, which shall be in effect national trust companies, to exercise all the functions and have all the privileges which are given to trust companies by the laws of the various states. Under the laws of Missouri, for instance, no nonresident can act as executor; and, except under a special statute, no Missouri corporation can act as trustee or executor.

"I submit that, so far as any court has yet decided, the federal government has no power to charter a federal corporation with such powers. They are not incidents of banking, and I do not believe congress has the power to give a national bank such powers.

"Under what clause of the constitution have the states granted the federal government the power to establish or protect a financial system, meaning by that system that includes state banks and trust companies?

"The secretary's argument seemed to be that, because trust companies are large and some have become national in character; that is, do business among the states, therefore, the government

should grant charters to and have supervision over large trust companies in large cities. Why trust companies any more than any other corporation making or dealing in articles of general necessity or utility? The line of reasoning is applicable alike to railroads, insurance companies, manufacturing and mercantile corporations—in fact, to all large corporations doing an interstate business.

"The vastness of the present number of government employees is thought by some to be an element of danger to the country. Many of them have been found perniciously active about election time, and those having supervision over corporations, it is believed, have at times undue influence with them. If the precedent is set, it will likely be followed.

"Under the present system, admitting its many deficiencies, there is protection for the people against the evils of no local responsibility for large corporations, and for the corporations as representing general business interests against the disastrous results of a general engagement under inflamed sudden national popular sentiment.

"The enactment of a federal law authorizing the incorporation of the various large corporations would, I believe, in the eyes of the people, be taken as the beginning of the end of the independence and sovereignty of the states. The states would soon be, on all matters of great importance, but states in name, and the form of our government would change.

"May it not be better to remedy some of the evils of the present system? This could be done largely by a tendency to make uniform the laws of the various states as to corporations, for example, the progress that has been made as to the laws relating to negotiable instruments.

"Viewed from the standpoint of trust companies, there is great desire for any kind of supervision that will lead to better management, and give the companies a higher degree of public confidence. There are many advantages that would come to the trust companies if the recommendations were carried into effect; but would not there also be great disadvantages?

The Wisconsin National Bank OF MILWAUKEE

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SURPLUS	-	-	-	1,000,000

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R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

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Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

The bank clearings for the past week in Milwaukee show a revival of business pointing to a return of the activity which prevailed several weeks ago. Local merchants report a renewed trade due probably to the spring trade while manufacturers and the larger jobbing interests report a heavy increase in orders in nearly all lines. In the iron and steel trades particularly, business is reported as showing a considerable increase. Orders for steel are far in excess of order which were on the books at the same period one year ago, while there is every prospect of being able to run full time during the summer months.

Collections throughout the state and locally are generally fair. Among the bond houses an unusually good trade was experienced throughout the month of January and extending well into the present month, although there has been some falling off in sales during the past week or ten days. Country bankers are apparently well supplied with ready cash but bond salesmen who are returning from visits out in the state report only about normal sales with a healthy inquiry as to the future.

Guaranty Bill Still Pending

Although the Wisconsin Bankers Association has been delayed in sending out copies of the proposed bill guaranteeing bank deposits, and due to the fact that even a digest of this bill has not been published in many of the newspapers throughout the state, and in consequence, a large percentage of the bankers are unfamiliar with the text of the bill, a great

many have already written to headquarters announcing themselves as opposed to the passage of such a bill at this time. Secretary Bartlett of the state association some time ago sent out a letter of inquiry to all bankers in the state, simply asking them to reply and state whether they were opposed or in favor of the bill.

Some of the replies to these inquiries have shown that country bankers are not always alert to their own interests. In a few instances, the banker has written to headquarters stating that he did not see wherein the bill interested him; others have replied saying that they were unalterably opposed to the bill in its present form, while still others are non-committal, and the majority state that they are opposed to the passage of a guaranty bill at the present time and would prefer postponement for another two years or until states which are at present trying out a similar law have had time to thoroughly test the merits of same; but the opposition to the bank guaranty act is not confined to the bankers alone. Many letters have been received from prominent business men and manufacturers throughout the state, who protest against further action on the bill at this session of the legislature.

Senator Owen, father of the bill, in an article appearing in a Madison newspaper, has taken occasion to rap the bankers of the state severely upon what he calls their "activity." He says "The bankers are well organized, in fact there is no special interest in the state of Wisconsin that can act any more concertedly or with greater force and effectiveness than the

bankers of this state. In their opposition to this bill, they are not governed by a high consideration of the public welfare but they are consulting rather their own special interests. * * * This is really a test between bankers and depositors. The bankers are organized and will make their influence felt in the legislature. Let the depositors see to it that the legislature shall be apprised of their feeling upon the question."

In the article mentioned above, Senator Owen shows that while he has not lost his optimism so clearly shown a week or ten days ago, he has at least made up his mind that the bill in its present form cannot be passed, and not only in his remarks made before the joint hearing in Madison a week ago but also in the tenure of all interviews that have been had with him upon this subject, does he show that the only hope of the framers of this bill as to its legitimate passage lies in their playing upon popular sentiment.

Bank Clerk Helps Capture Forger

In the arrest of Joseph R. Kuhn, said by the police to be a professional check forger, it is believed that the person has been discovered who has been flooding Milwaukee and neighboring cities with much worthless paper during the past month. Kuhn, who says his home is in Harrisburg, Pa., was arrested by detectives after a bank clerk had tracked him for over three miles.

Three weeks ago Kuhn appeared at the Marine National Bank, of Milwaukee, with a re-



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quest that they transfer \$780 for him which he alleged he had in a Chattanooga, Tennessee, bank. Upon writing to the southern states bank officials, learned that he had no account there. A week later Kuhn appeared at the desk of Wm. M. Post, cashier of the National Exchange Bank. He reported his source of funds in the southern bank; said he had sold an automobile in Chicago, and had a number of notes outstanding. Being temporarily embarrassed, he presented a check for \$165 which was cashed. It was drawn on the First National Bank of Chicago. A few days later, he entered the Badger State Bank and presented another check for \$165.00. Payment on this was refused, and one of the bank clerks followed Kuhn when he left the building, and trailed him in and about Milwaukee for nearly three miles until his arrest was finally effected. When searched at headquarters, pass books from a dozen or more prominent banks throughout the country were found upon his person, showing that at various times he had opened accounts in these different institutions for amounts of \$1,000 and upward.

Does Not Believe in the Old Song

"Never Put a Mortgage on the Farm." This slogan contained in an old New England song sung at all the Yankee gatherings has deterred the development of the United States at least ten years, according to George D. Bartlett, in his address recently before the Country Life Conference at the University of Wisconsin. Mr. Bartlett pointed out the benefits that accrue to the farmer from bettering his condition with borrowed money when conditions demand, and from the bankers' standpoint, at least, showed how the farmer, taking advantage of the accommodations offered by his local bank, may secure the money necessary for improvements and the purchase of machinery necessary for the rapid development of his farm lands, and thus, in a few years accomplish what ordinarily would require a long period of time.

F. X. Bodden Appointed Assistant Cashier

In a recent meeting of the directors of the Marshall & Ilsley Bank of Milwaukee, F. X. Bodden was elected assistant cashier to succeed Mr. Fred A. Kirchhoff, resigned.

Mr. Bodden has been in charge of the bond department of this institution for some time and has a wide acquaintance among the business men, not only of Milwaukee but throughout the entire state.

Banking News of Interest

The Bank of Burlington, Burlington, Wis., has just purchased property near the center of the town, and it is said in the near future will erect a new building.

At a recent meeting of the directors of the Badger State Bank of Milwaukee, the following officers and directors were re-elected: President, Gustave Reinke; cashier, F. E. Wallber; assistant cashier, A. J. Nostrand. It was decided to declare no dividends, the earnings being turned into the surplus fund.

Articles of incorporation of the Plaine State Bank, of Plaine, Sauk county, have been approved by the state banking commissioners. The capital stock is \$10,000 and the incorporators are John Beck, Wm. Reuschleir, John B. Ness and John B. Liegel.

H. S. Swanberg and A. L. Sorter, with other associates, have organized the American Trust Company of Superior, Wis. with a capital of \$50,000. The company will open a branch office at 340 Security Bank Building, Minneapolis. Mr. Swanberg will be president. The bank,

We Have a Hydro-Electric

project which is almost far enough advanced to make it a "bankable" proposition. Just before we got it into that shape, my client who was the financial backer of the enterprise was obliged by ill health to quit all business. He directs me to sell all or part of the deal.

We have bought and paid for water right, good for 20,000 horse power, engineering work, etc. Have a U. S. Government franchise, reports, maps, etc. Have a fine and rapidly growing market for power for commercial and irrigation purposes.

It is a deal that will make from \$500,000 to \$1,000,000 profit, and is already past the stage where there is any risk. \$25,000 will carry it to a point where it will be "bankable." I want some capitalist to take the place of my client and carry it out, or, will sell the whole project as it stands.

Address

B-16, care of Chicago Banker

Bonds and Stocks

It is stated one of the large interests in International Harvester held out for an increase in the common dividend to 6 per cent, but the McCormicks, who control about 52 per cent of the stock, and also control the board, would not consent to more than 5 per cent for the time being. Of \$80,000,000 outstanding common stock, McCormick interests control over \$41,000,000, Deering interests about \$15,000,000 and Morgan interests \$15,000,000.

A contract has been let to the L. C. Smith Construction Company to build 128 miles of the proposed St. Louis and Kansas City Electric Railway. It is said that bonds to the amount of \$12,000,000 have been underwritten in France.

Chicago Pneumatic Tool is again a leader. On the purchase of nearly 1,700 shares its price was advanced another point to 53. The buying was largely by houses that have been active in the shares for several days.

The Booth Fisheries stocks all recovered from their recent slump and the common touched a new high price at 50. The preferred was up three points to 78.

Diamond Match debenture 6s touched a new high price at 103½, and were well taken at that figure. Chicago Railways collateral 6s were taken in considerable amount at 100¼.

it is said, will operate in close business relations with the American Suburbs Company.

Permits have been issued from the City of Milwaukee to the Second Ward Savings Bank, to erect a \$25,000 branch building on the northwest side of the city, and to erect a \$20,000 branch building on the north side of the city.

"Banking Reform" was the subject of a lecture given February 17th by E. D. Hulbert, Vice-President of the Merchants Loan & Trust Company, of Chicago, at the meeting of the Milwaukee Chapter of the American Institute of Bank Clerks in the Assembly Hall of the Merchants & Manufacturers Association.

Cashier G. A. Uebele of the Bank of Burlington, has received notice from State Treasurer Dahl that the Bank of Burlington has been selected as one of the banks in which state funds will be deposited.



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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Mo., February 23.—St. Louis bankers and the local business element at large are highly elated at the timely arrival of the recent blizzard, with its accompanying blanket of snow. The cold weather has put new life into things, and practically assures big crops. The money market has already felt the effect in an improvement in the demand for credits, and a more optimistic feeling. It is admitted, however, that the change came just in time, as fruit crops in the Southwest were in serious danger, and moisture and snow protection was a necessity for winter wheat.

Bankers here are predicting a heavy demand for funds next month, both for commercial purposes and agricultural needs. The early crops from Texas and Louisiana will begin to move in March, and each year the needs on that account have steadily grown. These crops are of garden truck, mainly, but are of enormous proportions. The spring planting is expected to draw heavier on this center than was the case last season, but all the leading institutions which handle that business, are in better shape for meeting it than ever before. However reserves will be sufficiently reduced to make appreciable difference in rates, and local bankers are considerably less eager to get long time loans now than was the case two or three weeks ago.

Another feature in the situation is the several big deals which have been put through in St. Louis during the last month.

Gerhard William Garrels

In the death of Gerhard W. Garrels, president of the Franklin Bank, the St. Louis banking fraternity loses one of its oldest and most prominent members. Mr. Garrels was the type of banker which has given much strength and solidity to many of the German-American financial institutions throughout the country. For forty-six years he was connected with the Franklin Bank, during which time, it is said, he was never absent from business a single day, until his last illness. He loved work for the sake of work, and deemed banking the best kind of work any man could engage in. And incidentally his labors were for the stockholders of his concern, as in all the years of his employment he led the simple life, and still left an estate less than \$300,000. Mr. Garrels was born in Germany, and started as a drygoods clerk in Oldenburg and Hanover. Later he was an insurance agent in The Hague and Antwerp. He came to St. Louis in 1864 and the following year entered the Franklin Bank, and remained with that institution continuously until his death. He was one of the organizers of the St. Louis Clearing House Association, and served several terms as its president.

New Title Company Formed

Organization of the new Security Title Company was completed this week, and actual business operations will begin within the next few days. The concern has the support of about 100 of the leading real estate dealers of St. Louis. Its capital stock is \$12,500, which will later be raised to \$25,000. The company will have a board of directors consisting of thirteen real estate men. Eugene D. O'Reilly is its president, and Arthur F. C. Blase, a title man formerly connected with the Title Guaranty Trust will be manager.

Bank Bill is Attacked

Strong opposition has developed to the bill, prepared by the Bank Commissioner of Missouri, which provides for increased fees for bank examinations in this state. Debate of the measure developed that last year the banking department lacked some \$16,000 of being self supporting. The new bill makes an increase in the authorized charges for examination of banks and trust companies ranging from 20 to 400 per cent, and would add about \$27,000 to the receipts of the department. There are 553 banks in the state having capital stocks between \$10,000 and 25,000. The present rate of examining this class of banks is \$15. The bill sought to increase this to \$22.50. It was decided to lay the measure over with the view of getting schedules better adjusted to the views of the senators.

James E. Smith in New Line

James E. Smith, vice-president of the Simmons Hardware Company, has resigned that position to become president of the recently

organized Equitable Surety Company. The new company will do a bonding and indemnity business and will have a gross capitalization of \$1,250,000, which amount has been way over subscribed. The brokerage firm of G. H. Walker and Company was the organizer. Mr. Smith, who is a director of the Third National is one of the leading spirits of the Middle West. He has been in business in St. Louis for about forty years, during which time he has been identified with most of the movements for advancing the interests of the city. He was vice-president of the Louisiana Purchase Exposition, and for several terms, president of the Business Men's League.

Arkansas Bankers Meet

In response to a call of George R. Wood of Van Buren, Ark., the members of the Executive Council of the Arkansas Bankers Association met at Little Rock on Monday to discuss time and place for the next annual convention. Among those who attended the meeting were: A. D. Foster, Pine Bluff; E. R. Wait, Little Rock; J. K. Browning, Piggott; Charles G. Henry, Newport; J. D. Covey, Bentonville; Charles N. Rix, Hot Springs, and Thomas C. McRae, president, ex-president and ex officio member of the council.

Mississippi Valley Trust Company

A sharp advance in the market price of Mississippi Valley Trust Company took place this week. On Monday the price jumped to \$315, as compared with sales at \$300 on the preceding Friday. The advance gave rise to rumors of various kinds, one of which was that the company contemplated raising its dividend rate. This was unofficially denied by officers of the company, who stated that there was but little stock on the market, and that brokers took advantage of this fact to suddenly boost the price. The company has "cleaned up" well on several large deals recently, and compared with other local financial institutions, the price was considered too low.

Mortgage Trust Company Opens

The Mortgage Trust Company opened for business this week. This company is associated with the Mortgage Guaranty Company of St. Louis, which was organized about two years ago, for the purpose of making, selling and guaranteeing the payment of real estate loans. The purpose of the Mortgage Company is for the purpose of handling loans smaller than are dealt in by the parent company. The companies have a combined capital of \$1,000,000.

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CENTRAL WEST LETTER

By **EDGAR P. ALLEN****Omaha**

Kansas City, February 23.—With their vaults full of money, the banks of the Central West are finding it hard to make loans. This situation was described by Walton H. Holmes, president of Pioneer Trust Company of Kansas City to the representative of THE CHICAGO BANKER.

"Last year we were getting good rates at this time," said Mr. Holmes. "At that time good loans brought $5\frac{1}{2}$ to 6 per cent with a fairly good demand. Now we cannot place money at 4 to 5 per cent. Eastern banks have flooded the West with money, and this has caused an accumulation of funds here and at other western points. Country bankers have taken some money. These smaller banks have been loading up on farm mortgages until they are obliged to borrow money for current business. Of course they can get all the money they need for farm mortgage security is gilt edge. In fact in this part of the country nothing is better. I look for rates to come up a little later on and general banking conditions to become normal again.

"No one can estimate the value of the general rain that extended over the Central West this week. It will restore business confidence. It must be remembered that there has been no general rain or snow fall in this territory since early last fall. Conditions in the wheat country were worse than was generally known. The seed has not even sprouted in many fields, and simply lay in the dust. But this rain was splendid, and it will revive this section as nothing else could have done. It will instill confidence all along the line and spring business ought to be quite up to the usual standard."

Rain has Saved the Day

James T. Bradley, cashier of National Bank of Commerce, was enthusiastic over the outlook. "The rain has saved the day," he said. In fact without it things might have been pretty bad. But there is no use talking about that now. The main thing is that the West has been soaked good, and that business will

now go forward at a normal rate. Banking interests are well satisfied with the prospect for spring and summer. I see nothing to cause the slightest worry. Deposits are growing, and while the interest rate is not as high as it should be I am sure that this is only a temporary condition."

Attend Group Meetings

Bankers from all over the Central West attended the various group meetings in Oklahoma during the week of February 20th. In the special car which left Kansas City for Guthrie in addition to those named in THE CHICAGO BANKER last week were George S. Hovey of the Interstate National Bank, Kansas City; E. J. Hilkey, American Union Trust Company; J. F. Meade, National Bank of Commerce, Kansas City; J. L. Johnston, National Reserve Bank of Kansas City; C. A. Chapman, Walters-Machette Bond and Investment Company; T. F. Brady of the Commerce Trust Company of Kansas City; J. D. Wright, People's National Bank and A. C. Jobs, broker.

The group meetings in five Oklahoma cities attracted large attendance not only from various parts of the state but from reserve cities as far away as Kansas City, St. Louis and Chicago. The first meeting was held at Guthrie on Monday, February 20th; the next on Tuesday at El Reno; on Wednesday at Chickasha; Thursday at Ardmore and Friday at Claremore. In all of the cities special preparations had been made to entertain the guests and delegates and the series of meetings were pronounced the most successful in the history of the state.

General News Notes

Suit has been brought on the \$8,000 bond of John Flack, the absconding cashier of the Abilene State Bank, of Abilene, Kan. The bank has also brought several suits to recover from customers who owed the bank at the time it closed its doors. The full tragedy of Flack's disappearance was not realized by the people of Abilene until it was announced the other

day that, owing to the fact that the local base ball association has lost its entire working capital through Flack's speculations, there would be no base ball team in that town the coming season.

W. L. Norton, formerly president of the Columbia Bank and Trust Company of Oklahoma City, Okla., has been indicted on seven charges, with forty-two counts, alleging misapplication of funds of national banks in which he was interested and false entries in his books when making reports to the comptroller. His bond was fixed at \$10,000. A warrant has been issued for his arrest by the United States commissioner at Tulsa. Eugene Blaise, formerly president of the Farmers' National Bank of Tulsa, has been placed under bond on charges similar to those on which Norton was indicted. There are also indictments against two other persons connected with the same banks but whose identity is still secret.

The State Bank of Welda, Kan., has brought suit on a guaranty of a safe salesman that a certain safe bought by the bank was burglar proof. In April, 1909, burglars dynamited the safe and took \$3,018 of the bank's money.

One of the best backed little banks in the country was recently organized at Radium, Kan., and is called the Radium State Bank. It is in Stafford county, Kansas, one of the richest farming communities in the West, and its officers and directors are nearly all men of great wealth. John Bauer is president; James H. Howard, vice-president; George Shoemaker, cashier. The other directors are: Henry McMillan and Clayton Moses.

G. B. Van Arsdale, a banker of Dodge City, Kan., who has been organizing state banks in various towns and cities of Kansas, is preparing to open such an institution at Wichita.

Will S. Johnson, formerly receiving teller of the German-American National Bank of St. Joseph, Mo., is now cashier of the Rio Grande State Bank of Del Norte, Colo. He is at present visiting his parents in St. Joseph.

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SEATTLE CHAPTER BANQUET

By George R. Martin

The annual banquet of the Seattle chapter of the American Institute of Banking was held Wednesday evening February 14th, at the Hotel Washington. Two hundred and eighty-five bankers and bankmen were in attendance, the largest gathering of its kind in the history of Seattle. At the speaker's table, sat the heads of all the financial institutions in the city, the officers of the chapter and men prominently identified with the big interests of the Puget Sound City.

J. W. Spangler, manager credit department, Dexter Horton National, acted as toastmaster and was introduced by President William R. Crawford of the chapter. Music was furnished by the Symphony Orchestra and the University of Washington male quartette. The program of toasts included: William S. Percy, assistant cashier Seattle National, "Discretion"; Thomas B. Minihan, vice-president Scan-American Bank, "Just a Story; Benefit A. I. B."; Rev. Adna Wright Leonard, D. D., Pastor First M. E. Church, "The Influence of the Banker"; John H. Powell, of Peters & Powell, attorneys, "The Money Touch"; Carl Reiter, manager Orpheum Theatre, "Selected."

The speaker of the evening was William J. Burns, of the Burns National Detective Agency, who is now in Seattle in connection with the graft inquiry. Mr. Burns discussed the great value of the American Institute of Banking to the bankmen of the country and the responsibilities which rest upon bank tellers. He spoke of the work of detectives in running down check forgers and urges that bank tellers educate themselves in a way that they will be able to trap a forger the moment he presents himself at the window with a forged check. Mr. Burns also pleaded for a greater interest in public affairs by the bankmen of this country.

Dr. Leonard in his address, declared that bankers exert one of the most powerful influences in a community and that as a rule, that influence is for good. He said the time had come when bankers everywhere must take an active hand in civic and moral reforms.

The committee which had the banquet in charge, consisted of J. C. Norman, chairman; Dexter Horton National; E. G. Norris, Scan-American; A. T. Drew, American Savings Bank and Trust Co.; J. C. Glass, Bank of California; Roy H. B. Nelson, National Bank of

Commerce, and E. K. Reiley and George R. Martin of the Seattle National.

The chapter will give a minstrel show at the Grand opera house April 11th and 12th. It will be a musical production, with a chorus of seventy voices and is under the direction of G. M. Grant of New York City. The costumes, scenery and stage settings will be on an elaborate scale. No expense is to be spared to make the show a great success. It gives promise of being one of the heaviest amateur productions ever staged on the Pacific Coast.

J. C. Norman is chairman of the executive committee, which is to have charge of the show. The other chairmen of committees are Roy H. B. Nelson, Amusement; E. G. Norris, tickets; E. K. Reiley, program; and George R. Martin, publicity.

F. S. Westfall, former president of the Creek Bank and Trust Company of Sapulpa, Okla., has been arrested charged with misappropriating funds of the bank during his presidency. He was released on bond.

PRIZES FOR CHAPTER MEN

At the 1910 convention of the Washington Bankers Association the following resolution was unanimously adopted:

RESOLVED, That the executive officers of this association are hereby authorized to offer a first and second prize in the sum of \$15 and \$10 respectively, for the best essay, by a member of one of the Washington chapters of the American Institute of Banking, or any bank clerk in the state of Washington taking a course recommended by the institute, upon some financial subject, to be selected by said executive officers, who shall be authorized to fix the terms and regulations to govern said contest.

The executive council of the Washington Bankers Association has adopted the following subject for the prize essay:

"A Central Bank as a Factor in a Financial Crisis." The rules and regulations governing the prize essay contest are as follows:

Subject of the essay to be "A Central Bank as a Factor in a Financial Crisis." The essay to be not less than 1,500 words in length, and to be typewritten, on one side of the paper. The copy is to be forwarded to P. C. Kauffman, secretary of the Washington Bankers Association, care Fidelity Trust Co., Tacoma, Washington; not later than May 1, 1911, signed by a fictitious name. Accompanying the essay is to be a sealed envelope, addressed to the Washington Bankers Association, containing a card giving both the fictitious name and the correct name and address of the competitor. A committee will be appointed by the officers of the Washington Bankers Association who will pass upon the merits of the essays. After this decision has been made two of the officers of the association will open the sealed envelope and ascertain the correct name and address of the successful competitor. The successful essay will be retained by the Washington Bankers Association and printed in the report of the 1911 convention.

A prize of \$15.00 will be awarded to the best essay, and a prize of \$10.00 to the second best. Immediately upon the determination of the award the secretary will notify the treasurer, who will issue a voucher check to the successful competitors for the amounts due.

R. G. Townsend, Aberdeen, S. D., has bought a controlling interest in the First State of Stratford, and has removed there.

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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

SAVANNAH CHAPTER

GEO. H. DIETE

The regular meeting of the Savannah Chapter of the American Institute of Banking was held on February 9th. Owing to the inclement weather, there was only a small attendance.

After the business of the meeting had been transacted, Hon. Joseph F. Gray, a member of the Railroad Commission of Georgia and secretary of the Savannah Chamber of Commerce was introduced.

Mr. Gray stated that he had not come to make a speech but had come prepared with some figures to show what Savannah and the rest of the South were doing. He then read a statement showing the wonderful increase in population, manufactures, imports and exports, as well as the increase in property values of every kind in the South during the last ten years, giving particular attention to those of Savannah and the rest of the state of Georgia. In Mr. Gray's opinion this growth is but the forerunner of what may be expected during the next decade. Mr. Gray said that these figures are the surest proof that the South is awakening and has great confidence in its enterprises.

Mr. Gray then spoke of the Panama Canal and its influence on local trade. He said that tonnage must be developed by local manufacture in order to compete with other points and emphasized the necessity of development of South Atlantic manufactures.

Mr. Gray said that this is a new country and its development in the last seventy-five years equals that of European countries in hundreds of years. He called attention to the fact that our factories have been so busy supplying home demands that we have had no time to find out and supply, as we should, the wants and needs of Mexico, Central and South America but with the awakening of the entire nation, we will be strong competitors of Europe for the trade of the whole American continent.

Mr. Gray also spoke of the development of the accountant or "bookkeeper," as he was called; explaining that this development has been brought about by the change in business methods, as instead of doing a small business at a large profit, large business is now done at a very small profit hence the necessity of the business man knowing exactly how he stands each day.

At the conclusion of Mr. Gray's interesting discourse, all adjourned to another room where a tempting lunch was served.

HOW THE "YEGG" ESCAPED

Through carelessness, E. D. Chapman under arrest at Sioux City and wanted in three states for bank robbery was permitted to escape at Sioux City. The police station engineer mistook the accused yeggman for one of those unfortunates who had been granted permission to spend the night in the station house. The "yegg" was ordered to clean out the furnaces. This Chapman was only too glad to do. He not only cleaned out the furnaces but he cleaned out an officer's overcoat as well and escaped with a \$5 bill. Chapman was suspected of complicity in some of the bank robberies that had occurred in South Dakota in recent weeks. Officers have a good description of him and the next time he will be more carefully watched.

FIRST TRUST MAKES A RECORD

First Trust and Savings Bank of Chicago has just celebrated its seventh birthday. The institution has made a remarkable record. In the brief period of seven years it has opened 126,800 savings accounts. At the close of business December 31, 1910, it was caring for \$30,604,389 of the people's savings; while the total deposits then on hand were over the fifty million mark.

BANK REPORTS SHOW GAIN

Reports submitted by the savings banks of Des Moines in response to the call issued by State Auditor Bleakly for condition on February 8th bear out first indications that these institutions are in a much better condition than when the last call was issued in November. There is a general expansion of loans and an increase in deposits. These indicate that the trend is toward normal conditions.



FIRST NATIONAL BANK BUILDING OF CHICAGO

First Trust and Savings Bank occupies the ground floor.

SUCCEEDS J. W. REINHART

Lawrence E. Sands, vice-president of Exchange National of Wheeling, W. Va., has been appointed president of the Kansas City Viaduct and Terminal Railway Company, to succeed J. W. Reinhart, who died recently. Mr. Reinhart was formerly president of the Atchison, Topeka and Santa Fe Railway Company.

DIAMOND MATCH EARNINGS

Diamond Match earnings for the fiscal year ended December 31, 1910, were issued Wednesday. The showing of net was \$1,700,482, being equal to 11.56 per cent on the capital stock of \$16,000,000. Owing to the reduction in the dividend rate to 6 per cent the dividend requirements were reduced by \$320,000, compared with the previous year.

Editorial Comment

Convention Dates 1911

SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

ALLIANCE WITH THE SHERIFFS

Plans are maturing for the selection of a local bankers' protective committee in each county of the state by the Illinois Bankers Association. This movement began officially in Group Ten meeting at Metropolis last year. The subject was ably and effectively introduced by Colonel John S. Aisthorpe of Cairo in a talk on the bankers' bugaboo—the yeggman. He offered statistics to show the extent of their recent depredations, and suggested a formal and pecuniary alliance with the sheriffs and deputy sheriffs in the state for the better protection of banks and other property interests from burglarious attack.

The fidelity and security companies and the safe agencies both are taking an active interest in the matter. If all work harmoniously there should be more adequate insurance carried; better safes installed; more burglars captured and put at hard labor on the stone pile. The plan as outlined by Colonel Aisthorpe was:

I suggest that our protective committee take up for consideration a plan of "Alliance with the sheriffs of Illinois." Perhaps this can be done through the state organization of sheriffs. I would suggest that we pay to sheriffs, when actively engaged in work of this kind for banks who are members of the state association, the expense properly incurred, also offer a specific standing reward for the arrest and conviction of bank safe breakers and burglars. We have 102 sheriffs in Illinois, each sheriff as a rule appoints a deputy in each precinct in his county for the proper conduct of serving papers and making arrests. Thus we have seven hundred or more men scattered over the state of Illinois, composed of sheriffs and deputies. We have 1,848 banks in the state and all should be members of our association. I am pleased to say that 1,595 of these banks are enrolled as members. I would suggest that one banker in every town or city where a bank is located shall be designated as a member of this special protective committee. This can, in my opinion, be properly conducted by having a roster of banks in each group and where located, and also of the sheriffs and his deputies, and this roster placed in the hands of bankers, sheriffs

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

and his deputies throughout the state. We then have a system inaugurated, that by telephone and telegraph we can start a movement by every protective man in the immediate district in which a crime has been committed. Every railroad line or other avenue of escape, can be under the surveillance of a large number of men.

The executive council took up the matter and at the last meeting authorized the protective committee to appoint local protective committees in each county. A sort of ballot by mail was adopted in selecting the right persons. Probably the Aisthorpe plan may be carried out in an amended form, but the general result ought to be good. Non-member banks should be ignored, for Iowa tried this costly treatment of treating all alike to a fare-you-well. In the banking business, as in every other, there are those little souls who pay for nothing they can get by cheek and assurance.

ANGLO-RUSSIAN BANK

The Anglo-Russian Bank was recently formed in London with an authorized capital of one and a half million pounds sterling. It is a combination of English and Russian capitalists, and was formed with the primary object of acquiring an important interest in the Russian Commercial and Industrial Bank of St. Petersburg, which has ninety-nine branches, sub-offices and agencies throughout Russia. The company's prospectus points out that the Empire of Russia offers a splendid field for the investment of capital, in the construction of new railroads, harbors and docks, the development of waterways, irrigation works, the introduction of improved systems of water supply and drainage, electric lighting and other public works now under contemplation.

Last year, thanks to the co-operation of our bankers, new securities to a total of fully \$1,500,000,000 were sold, bringing the grand total for the four years 1907, 1908, 1909 and 1910 up to the colossal figure of \$6,000,000,000. Since the new year opened the stream of new issues has risen in volume, January having contributed at the abnormal rate of \$3,000,000,000 per annum. Can investors continue to absorb offerings in such quantity?

New York Stock Exchange memberships have sold as high as \$73,000.

STATUS OF FOREIGN TRADE

Details of the export trade of January, 1911, and the seven months ending with January, compared with those of the corresponding periods of last year, were completed by the Bureau of Statistics of the Department of Commerce and Labor Monday. Of the principal articles named in the statement those showing an increase in the seven months ending with January, 1911, over the corresponding months of last year, are agricultural implements, lumber, cotton cloths, builders' hardware, sheets and plates of steel, boots and shoes, scientific instruments, pipes and fittings, automobiles, naphthas, metal working machinery, typewriters, sewing machines, electrical machinery, sole leather, structural iron and steel, furniture, naval stores, cotton wearing apparel, copper, raw cotton, corn and coal. The principle articles showing a decline in the value of exports are illuminating oil, wheat and wheat flour, leaf tobacco, bacon, cattle, and fresh beef.

COLLECTION CHARGES

The legality of the out-of-town collection charges on checks and negotiable paper, as fixed by the rules of regulations of the New York Clearing House Association, having been called into question under the Sherman law, James M. Beck, council for the Association, has sent to Attorney-General Wickersham a brief upholding the practice. Mr. Beck submits two propositions:

1. That the transaction is not one of interstate commerce.
2. That if it is it not such a direct, material, substantial and intentional restraint of such commerce as to be within the fair interpretation of the Sherman anti-trust law.

In his opinion banks cannot be put under the law in the same category with railroads, steamship lines and telegraph companies. There is no justification, he argues, for the Federal government's attempt to prohibit "a local regulation or a local facility."

THE INNOCENT HOLDER

In the case of Butler, Stevens & Co. vs. Barnes the Court of Appeals of Georgia holds that "where the maker of a negotiable promissory note pays it to the original payee, without requiring the production and surrender of the note, he is liable to pay it again to an innocent holder, who acquired title to it in good faith and for value before maturity, unless the payee was the holder's general agent for the collection of the note and had special authority to collect it, or the money collected thereon in fact reached the hands of the holder of the note. Especially is this true where, at the time the maker of the note pays it to the original payee, he has knowledge that it has been transferred by the payee to another for value and before maturity."

Commercial Paper as a Bank Security

Extracts from address by Joseph T. Talbert, vice-president of the National City Bank, New York, on "Loans and Discounts"

A question propounded by the commission in its communication to me is as to "the advisability of limiting the issuance of capital stock at par for money or property of the actual value of the par of the stock issued." I am strongly in favor of the issue of stock without par value, whether issued for money or property. The shares of every corporation should be of a specified number. Certificates should be issued for the shares, specifying, of course, the number which the holder owns, but not the value thereof. The value of each share would then depend upon the value of the property owned by the corporation, such as a city lot or a house, or any other piece of property. The certificate and the share would then represent the truth whereas the present method of attributing a value in dollars to a share of stock is deceptive, misleading and very often an unmitigated fraud. There are in circulation certificates representing stock of a par value of one hundred dollars that is not worth one hundred cents, and there are in circulation other certificates representing stock as worth one hundred dollars per share which is worth several hundred or several thousand per share. In thinking about this subject from time to time I have endeavored to develop in my own mind some reason of necessity or convenience for giving to corporate shares a par value, but without success. I have been able to think of none. On the other hand, and in addition to the reasons already stated, the issuance of shares as shares without attributing to them a value, which of necessity varies and is more or less misleading, rationally solves all the problems about "watered" stock and dispenses absolutely with the necessity for any legislation upon that subject. It is left precisely as if, to illustrate, we here present should buy a manufacturing plant and should divide the ownership of it into a specified number of shares, each present taking as many shares as he felt able or desired to take, and putting up his money accordingly. In such case there can be no question about the issuance of fictitious securities, or of overvalued property, and the public could not possibly be concerned with the question as to whether we issued one hundred shares or a thousand shares, so long as no par value or other value was attributed to the shares. The value of the property owned by the corporation, less its debts, would be the measure of the value of the shares. Take, for example, the much discussed Chicago & Alton case. Suppose, that, instead of issuing \$20,000,000 par value of preferred and \$20,000,000 par value of common stock, the stock of the company had been divided into 400,000 shares without par value, of which 200,000 shares should be preferred, entitled to non-cumulative dividends at a rate not exceeding \$4 per share, and the remaining 200,000 shares common. This would have involved no statement or representation as to the value of any such shares any more than a house, or a lot, or a farm, or a horse has such value. The value of the 400,000 shares thus issued, collectively and separately, would depend upon the value of the property owned by the corporation, less its debts, like the value of a house or a lot, or a farm, or a horse. If this had been done the Chicago & Alton case never would have arisen to inflame and mislead an excitable section of the public mind; there would have been no cry of "watered" stock and no charge of issuing "fictitious" securities; and yet the public still would have received

the benefit of the new money in the improved condition of the property without having its transportation rates increased one cent simply because, as I have already endeavored to show, transportation rates are uninfluenced by capitalization. Those responsible for the Chicago & Alton financial readjustment, however, could not have so issued the stock had they desired, because, according to my information, the Illinois law required it to have a par value.

Sales of Bonds at Discount

The next question suggested by the commission in its communication is with reference to the "sale of bonds at a discount." Bonds, unlike stock, representing an obligation to pay a specified sum at a certain date, with interest at a certain rate, necessarily must specify in dollars and cents the amount to be paid, and therefore have a par or face value. The income being limited to a fixed rate of interest, and being without the possibility of a larger income, as an increase in dividends on stock, the bond is without much speculative value, if the security is good. Where the security is good and the interest rate is the same, there is naturally very little room for difference in the value of different bonds. The difference must be due primarily to difference of opinion respecting the value of the security, aside, of course, from the question as to whether the bond falls within the class of savings bank and trust investments, as prescribed by laws of some of the states. An exact answer to the commission's question as to whether bonds shall be sold at a discount is rather difficult. It depends upon the credit of the corporation, the security and the rate of interest. If the credit of the corporation is good, the security is good and the interest is 6 per cent, or at times even 5 per cent, I should say that, under normal conditions, the bond ought not to be sold at a discount, but should bring a premium. If, however, the interest is 4 per cent, it would in these times have to be sold at discount, and if 3 or 3½ per cent, it would undoubtedly have to be sold at a very substantial discount. The security being good, the price of the bond, with reference to its par or face value, is of course, controlled by the question of income to a very large extent. The question for the investor is, What income will a certain amount of money bring? Whether he buys a bond bearing 6 per cent interest or 3 per cent interest, if the security is the same and the date of the maturity of the bond is the same, will probably not make very much difference to him; for in the case of the 6 per cent bond he would pay considerably above par and for the 3 per cent bond he would pay much below par, the net result in each case being the same or substantially the same both to buyer and seller. These considerations are, of course, familiar to the members of this commission and are encountered and acted upon every day in the bond market.

Issue of Additional Stock at Par

With reference to the question propounded by the commission as to the "sale of new stock at par to stockholders when old stock is selling above par in the market," I should say that I see no objection to that from the standpoint of the public or government, and none from the standpoint of the stockholders where there are no complications by reason of there being stock of different classes and different rights outstanding. The market value of stock is very

rarely the same as its par value. A glance at the daily quotations upon the New York stock exchange will readily show this. I have before me a list of the stocks dealt in on the New York stock exchange yesterday, as published in this morning's papers. I observe that the stock of 122 different corporations was dealt in, not one of which sold precisely at par. Eighty-eight sold below and 4 above par. The history of yesterday is the history of practically every other day in this respect. The reasons why stock sells above or below par differ, of course, in different cases. Primarily it depends upon the value of the property represented by the stock, and this in turn depends upon the number of shares instead of the par value of the shares outstanding. The current earnings of the property, the rate of dividends paid, the accumulated surplus or deficits in previous years and a great variety of circumstances control. The character of the management respecting integrity as well as ability, the possibility of hostile or unjust legislation, political conditions, speculation and, for lack of a better term, what is called "sentiment," each and all are important factors in establishing the market value. It does not necessarily follow that because the shares of a railroad company are selling in the market for \$150 that the company has a surplus of 50 per cent. If forced to liquidate it might not be able to pay even par. It is very difficult, therefore, if not impossible, for the directors of a railroad company, or any one, to affirm with legal certainty the precise value of a company's stock, or that when it is selling for \$150 it is not really worth more or less than \$150. When, therefore, the corporation requires additional capital it seems to me to be a perfectly fair way for it to call upon its shareholders to contribute additional capital in proportion to their holdings. Whether they do so at par or at a premium, or even at a discount, does not, in my view, actually affect the public or the government one way or the other. Of course, I realize that under legislation requiring stock to have a par value there may be legal objection to issuing new stock for less than par. If there is such objection it is because of antiquated and economically unnecessary legislation. Under the same legislation, however, as I understand it, shareholders have the statutory right to take pro rata any additional stock at par, regardless of the market value. As already stated, I perceive no objection to that method if deemed best by those responsible for the financial management of the company. If the stock is paying dividends at the rate of 6 per cent and is issued at par, the company is theoretically, if not actually, paying 6 per cent for its money, when by a sale of bonds it might be able to get it at 4 or 4½ per cent. But the issue of additional stock calls for a larger sum in the aggregate for dividends if the same rate is to be maintained. Consequently an increase of the amount may result in a reduction in the rate of dividends. At all events I cannot see that the public or government is interested in the matter, since the return upon the capital in the railroad property is not governed by the amount of stock or bonds outstanding, but by the value of the property, which may bear but little relation to the amount of its stock and bonds.

Joseph W. Ogden has been elected a director of National Biscuit Company.

We solicit accounts of banks and bankers and offer them our complete facilities for the handling of their out-of-town items



Capital
\$2,000,000
—
Surplus
\$2,000,000
—
Deposits
\$33,000,000

C. H. HUTTIG, President

W. B. WELLS, Vice-Pres.

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The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

THE FIGHT FOR THE FAIR

By Wm. B. Compton, Crocker National of San Francisco

As far back as 1904, when it became apparent that the Panama Canal would be completed in the year 1915. Mr. R. B. Hale, now acting president of the Panama-Pacific International Exposition, conceived the idea of a great exposition to commemorate the event, and what was more just than that it should be held at the key to the Orient and natural railway terminal of the West, San Francisco.

He fostered and exploited the idea until the fruition of his efforts in its public approval in 1907, when it became a topic of general discourse. The great honor seemed by divine right to belong to San Francisco, who in her wonderful recoup from the epoch making disaster of 1906, which caused the world to chant pæans in her praise, proved her ability to manage so stupendous an affair. There were others, however, who coveted this honor.

In March, 1910, San Diego, with true California vim, made a spirited campaign, but gracefully acquiesced to the wishes of the whole Pacific Coast. Then New Orleans, in April, 1910, claimed to be the "Logical Point," and became a real and formidable rival for the exposition.

It became evident that if we wanted the fair we must fight for it, and public spirited men like Wm. H. Crocker, R. B. Hale, C. C. Moore, Frank L. Brown, W. C. Ralston, M. H. de Young, Wm. R. Hearst, Rudolph Spreckels and others, shouldered the responsibility.

The Panama-Pacific International Exposition was incorporated March, 1910, and in April, 1910, held the most spectacular meeting the world has ever known, when, at the Merchants Exchange, \$4,000,000.00 was subscribed in two hours. This was afterward advanced to \$7,500,000.00 and at the present writing Oakland has added another million of dollars.

September 6, 1910, Gov. Gillett called a special session of the legislature and passed constitutional amendments that placed before the people the power to vote to both the state of California and the city of San Francisco the privilege to issue bonds for the amount of \$5,000,000.00, each, thus increasing the available funds to \$17,500,000.00. With this vast sum it was decided not to ask for financial aid from the federal government.

New Orleans proved a resourceful opponent, however, and so it was that Wm. H. Crocker,

Henry T. Scott, Benj. Ide Wheeler, Father McQuade, J. N. Gillett, Hiram Johnson, P. H. McCarthy, Leon Sloss, J. D. Grant, Theodore Bell and others, thirty-six in all, left their homes and business affairs to go to Washington, in the interest of San Francisco, during the present session of the "Law Makers."

New Orleans was jubilant January 20th, 1911, when the house committee voted on its favor 9 to 6. San Francisco expected as much, knowing that the members of that committee were southern statesmen, but looked for the real battle in the "house" and rushed to the front with the moral support and advice, which added to the great ability and experience of Congressman Kahn, enabled him so skillfully to introduce his resolution, with the result that on January 31, 1911, the vote in the house was 259 to 43 in favor of San Francisco.

New Orleans with southern grace and courtesy, removed all further obstacles from the way, and February 8, 1911, the vote of the senate committee, and the senate itself February 12th, was unanimously for San Francisco. This was to be expected when men whose forbears had banded the East and the West with ribbons of steel, men whose mental force make wheels go round and ease financial situations, made the fight. What could be the result when such men, the men of California, of San Francisco, bend their energies and will to a cause?

Success! The glorious success that was foretold in the skies by detonating rockets and the smiling of the sun.

Real Estate Security Is The Best

IMPROVED farms in favorable locations are the best real estate securities. Investors in bonds cannot find a better opportunity to obtain satisfactory returns, coupled with ample security, than our 7% twenty year bonds - while our stock is none the less safe and pays better dividends. The Company is a going concern and will pay 25% on stock this fiscal year. Demand for our products always greater than supply and will continue to remain so. This means high prices, with ready market. An investigation will demonstrate and verify above statements. For further particulars, address

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WALL STREET BANK SAFETY

The safety of a Wall Street bank is the additional privilege it enjoys of calling for additional collateral every day, at any time, if the prices of securities held as collateral decline; and in default of additional collateral being deposited it may, with either a call loan or a loan payable at a specified time, demand the payment of the loan at once, and if the loan is not paid may sell the stocks or bonds held as collateral to provide for payment of the amount of the loan. The banks, of course, are a brake on reckless speculation; and if it is evident that any individual, or pool of various individuals, attempts to over-buy, the banks immediately curtail the credit of such people. This phase of the situation is little known outside of Wall Street proper, as it seems to be the fashion to condemn bankers who evade the laws of safety and to give no credit to those who insist upon compelling conservatism by doing business in conformity with safe and sane regulations--Henry Clews, in Moody's Magazine.

PHILADELPHIA UP-TO-DATE

"Our Correspondent in Philadelphia," said Henry S. Henschen, cashier of the State Bank of Chicago, "is a fine old bank which has been in business more than one hundred years. About ten years ago, when I visited it for the first time, I noticed a framed announcement hanging near the paying teller's window, stating that the 'board of bank presidents' of Philadelphia had passed a resolution that no checks would be paid over the counter unless the payee were personally known to the teller or to an officer of the bank."

"The typography of the announcement was that of Civil War days and on closer inspection I found the date: 'October, 1860.'"

"I was in the bank last week and found the same announcement in the same place. The president of the bank admitted that the sign has served longer than he. It has hung there undisturbed more than fifty years. Can you beat it?"

ALASKA FOR POSTAL BANK

A remarkable petition was received by Postmaster-General Hitchcock from citizens of Fairbanks, Alaska, requesting the establishment in that city of a postal savings bank. The petition bears the names of many hundred citizens of Fairbanks.

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,700,000

Deposits over - - - 22,500,000

OFFICERS

L. A. GODDARD, President

JOHN R. LINDGREN, Vice-President

HENRY A. HAUGAN, Vice-President

HENRY S. HENSCHEN, Cashier

FRANK I. PACKARD, Asst. Cashier

C. EDWARD CARLSON, Asst. Cashier

SAMUEL E. KNECHT, Secretary

WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,430,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President

Henry B. Bartow, Cashier

John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930



IN CINCINNATI

With Resources of **TWENTY-ONE MILLION DOLLARS**

And every facility for the satisfactory handling of Bank Accounts
CORRESPONDENCE INVITED



Going to Europe

Space on any steamship, for the spring or summer sailing, is at a premium in most steamship offices. Manager Frank A. Gross of the Gross Tours, 302 Ellicott Square, Buffalo, N. Y., has a plan whereby he is enabled to hold reservations for prospective travelers. His oriental tour of 73 days costs only \$490 plus the steamship fare, starts April 8th. About monthly after that he will have tours where everything is provided at a low price—service first class.

We are enabled to present herewith two half



GROUP OF NATIVES IN DAMASCUS

tones, one showing a group of natives in Damascus, and the other a scene from Beirut. Damascus still remains as one of the most typically Oriental towns within reach of the modern tourist, but it is fast becoming Europeanised, as the "Apollinaris" ad on the door

in the picture indicates. The history of Damascus begins with the time of Abraham, and it seems always to have been a place of importance. Ancient remains are not extensive, although the "Street called Straight" still remains as at the time of the Apostle Paul.

The picture is a snapshot taken by a member of Mr. Gross' party to the Orient last year. On April 8th Mr. Gross will conduct a party of twenty to the Orient and a fine time is in store for the traveler who is fortunate enough to secure a berth. The schedule has been arranged so that they will be in the Orient after the crowds of sightseers and pilgrims have returned home, which assures them of perfect accommodations at hotels. Another important advantage is that the trains and places of interest will not be crowded. It is not generally known, but it is a fact that May is the best time of the year in the Holy Land, and surrounding country.

On this tour the party will visit Azores, Madeira, Gibraltar, Algiers, Turkey, Greece, Palestine, Egypt and Southern Italy. On account of the demand for space it will be necessary to make application for a berth at an early date.

The Automobile Tour of Europe conducted by Mr. Gross is proving very attractive, as the number of applications received testifies. On this trip 28 people will travel from Naples to Paris by auto, and will also spend a few weeks in the British Isles. A booklet has been gotten out describing the tours and the places visited, and is filled with valuable information and will be mailed to any one who is interested. The cost, which includes every item of expense, is extremely low,—between \$11 and 11.50 per day.

The snap shot of the boot black was taken by a Westfield lady who was with Frank A. Gross' party to the Orient last year.

Beirut is the principal town of Syria, built in European fashion, with a large Christian population. Many educational and charitable institutions are established here in connection with European communities. While Beirut has no claim to great antiquity, it was a place of importance during the Roman times.

Baalbec, the City of the Sun, will also be visited by Mr. Gross' party in May. The party which Mr. Gross will manage will consist of only 20 people, so that each member is assured of every attention.

They will be in the Orient at the best season of the year, after the crowds have left, leaving the hotels, trains, and places of interest in a less congested state. Half of the party is now booked, and many more are interested. Interested parties should reserve space now.

The automobile tour of Europe has proven very popular, as the bookings show. 28 people will be the limit on this tour, so that the disadvantage of handling a large crowd will not be a factor. The cars and the chauffeurs are in



SCENE IN BEIRUT

charge of an expert, who is responsible to the automobile company and to Mr. Gross for the perfect running of the machines.

An illustrated booklet has been gotten out, describing the tours, free for the asking, to those interested.

FIVE HUNDRED GUARANTY PROPOSED FOR WISCONSIN

By John Schuette of Manitowoc

The Wisconsin Bankers Association mailed to each of its members a circular advising them of two bills now pending before the legislature on which it invites expression and suggestion.

The first is the segregation of savings deposits from commercial deposits. This would create a preferred class, would give notice to the commercial depositor that his deposit was not as safe as the savings deposit, and would be to an injury to all banks having savings deposits.

The other is Senator Owen's guaranty bill which the circular wrongly says "imposes taxes of 1 per cent on average deposits the first year and 1-10 per cent thereafter." This is misleading, as this 1 per cent merely is to be credited on the books of each bank in favor of the insurance fund, and most likely will never be drawn against, like a premium note.

There is no question that the insuring of deposits is the only bank panic prevention, and if done under national laws, the successful outcome is beyond doubt, because the large number of banks, distributed over the whole country, will give us an ideal general average, the main safety in any line of insurance.

The only way we can also get the required general average in a state is to limit the insurance of deposits to any one depositor, so that in case a large bank, with large deposits, should fail, the insurance will be only on a limited amount.

As the postal bank limits its guaranty to any one person to \$500 and as the segregation of deposits aims to protect the small depositors, now, to meet all these conditions, and as a compromise, I would suggest:

A bill to insure any one depositor up to and including \$500 on his deposits.

The synopsis is about as follows:

1st. To create an insurance department over which the commissioner of banking shall have control, who also shall have power to refuse a charter to a new bank for cause, as now exercised by the national bank comptroller.

2d. Every bank shall deposit with the commissioner of banking its certificate of deposit in the amount of 1 per cent of all deposits not exceeding \$500 to any one depositor, payable to him in part or whole on demand. This shall constitute the reserve fund and which a bank may carry on its books as an asset.

3d. Every bank shall pay annually to the commissioner of banking 1 mill on all deposits not exceeding \$500 to any depositor. This is to constitute the premium fund, out of which all losses should be paid. The 1 mill may be reduced by the commissioner of banking.

4th. If a bank shall discontinue, having paid all its deposits, all that portion due it in the insurance funds shall be returned to it.

5th. The deposits of a bank shall not exceed 10 times its capital. (Six times would be better.)

6th. After the commissioner of banking finds a bank insolvent he should wind it up, collect, and pay in the usual way. If the resources of the bank will not pay the depositors in full, he shall draw on the premium fund, and if not sufficient, then on the reserve fund, any amount required to pay every depositor not exceeding \$500 on his deposits on the following percentage.

All drawing not over 2 per cent interest to be paid in full (100 per cent).

Those drawing more than 2 per cent and not over 3 per cent to be paid 95 per cent.

Those drawing more than 3 per cent and not over 4 per cent to be paid 90 per cent.

All drawing more than 4 per cent shall be excluded from the protection of the insurance.

7th. All fiduciary institutions receiving de-

posits may avail themselves of the insurance plan under the same terms and subject to such regulations as the commissioner of banking may require.

Such a law would fulfill the main purpose of safeguarding the money of the poorer class.

2d. It would meet the postal bank's \$500 guaranty.

3d. It would make the segregation of deposits unnecessary.

4th. It would eliminate the small depositors from bank runs.

5th. It would still leave to the large bankers, or bankers who believe that they enjoy a greater confidence than their competitors, practically the same advantage.

6th. The \$500 insurance limit would greatly reduce the risk, the premium cost, and greatly increase the safety.

7th. As soon as the postal bank extends its \$500 limit, which one may be sure will be done, we can amend to meet it.

The bankers will be surprised after all the forty thousand postal banks are opened up for business, how much these will absorb of our deposits. Little Germany has 3,500 million dollars in savings deposits guaranteed by municipalities. A few weeks ago the failure of a million dollar bank at Fairbanks, Alaska, brought a petition twenty-four feet long before congress asking the speedy establishment of a postal bank there. Our postmaster here in Manitowoc is repeatedly asked if he could not receive more than \$500, from 1 to 3,000 dollar deposits. There is no question that the postal bank's \$500 limit will be expanded, if not entirely removed, and the interest rate raised, and if we loiter, insurance companies insuring deposits may force the banks to insure in them, which would treble the cost, and not inspire the requisite confidence. As deposit insurance is bound to come, therefore, let us select the plan most economical, the safest, and the easiest obtainable. After the proposed act is in operation, I believe those who are now opposing it, will say as a president of one of our largest railroads, how we all fought the adoption of the railroad rate bill, and after a few years of operation, it proved the best thing ever happened to our roads.

STARTS ACCOUNTS FOR PUPILS

Middlesboro, Ky., February 23.—Saturday was a gala day in Middlesboro. The hearts of 1,425 children, both black and white, were made glad by J. H. Bartlett, who gave a small account in the new postal savings bank here to each child in the public schools.

The 219 negro pupils seemed as happy as the white children who received gifts from the aged philanthropist.

The accounts ranged from 25 to 50 cents each, but Mr. Bartlett said that what he wished to accomplish was to teach the children to save while they are young and acquire a nucleus for college education.

There was rejoicing among the older folks as well as the children. At the postal savings bank 1,425 books were filled out and the new depositors proudly exhibited their fortunes to each other.

It was by far the busiest day which the bank has had since the inauguration of the system here. An extra number of clerks were on duty all day and as there was no school all the pupils were in line when it was announced the books would be given out.

WILL MANAGE BOND DEPARTMENT

D. H. Martin, formerly of Topeka, Kan., has been appointed manager of bond department of the Fidelity Trust Company of Kansas City.

Frank A. Vanderlip, the New York banker, has a chicken farm on the Hudson.

AMONG THE NEWEST BOOKS

Among the newest and timeliest books is "The Fine Art of Fishing" by Samuel Camp. It belongs to the new "How-To" list of helpful books published by the Outing Publishing Co. The series covers camp cookery, wing shooting, boat sailing, fishing, golf, woodcraft, birds, bird dogs and the building of country or forest homes. These books offer complete and reliable courses of instruction in outdoor life. They summarize the experience of experts, and they are especially helpful in the selection and purchase of equipment and supplies.

Wherever possible they have been made pocket size for easy transportation. Every copy is printed on high grade bookpaper, artistically illustrated and bound attractively. They serve equally well in the open, in the library and as gifts.

The one on fishing is quite as complete as the rest. From casting to kits and equipment no topic is overlooked and the illustrations are many. What you want and how to use it after you get it is a fair description. Price is but one dollar.

"The Young Forester" by Zane Grey comes from Harper Bros. and is a boy's book.

The so-called "Wild West Story" has an everlasting fascination for boys, and there seems no reason why this kind of tale should not be made as sound and wholesome as any other variety of juvenile fiction.

This is what Mr. Grey has done in "The Young Forester." His knowledge of the country he writes about cannot be questioned. He inspires the same confidence in the genuineness of his descriptions as Hamlin Garland in "The Long Trail," or Frederic Remington in "Pony Tracks." He has camped and hunted through the wilderness in which his scene is laid. He has chased wild horses and helped Buffalo Jones, the old hunter and plainsman, to lasso mountain lions. The story of his own experiences in the West and elsewhere would make an exciting narrative if told in autobiographical detail.

The story is full of fishing, hunting, fights with grizzlies, forest fires and is better fiction by far than usually goes with the boys' books. Price \$1.25.

"My Mark Twain," also is from the Harper Bros. press and was written by William Dean Howells, Twain's friend and companion in literary pursuits for so many years. Who is there besides so qualified in every way to do the late premier humorist justice? The friendship between the two extended through forty-five years, and in picturing Mark Twain in the various stages of his career and under trying variations of fortune. Mr. Howells narrates many delightful incidents of their association. It is touching to note the tender way in which Mr. Howells admits Mr. Twain's faults without yielding a shade of his devotion to his departed friend. The closing paragraph of the tribute reflects Mr. Howell's feelings and reveals his measure of Mark Twain: "Next I saw him dead, lying in his coffin amid those flowers with which we garland our despair in that pitiless hour. After the voice of his old friend Twichell had been lifted in the prayer which it waivered through in broken-hearted supplication, I looked a moment at the face I knew so well; it was patient with the patience I had so often seen in it; something of a puzzle, a great silent dignity, an assent to what must be from the depths of a nature whose tragical seriousness broke in the laughter which the unwise took for the whole of him. Emerson, Longfellow, Lowell, Holmes—I knew them all and all the rest of our sages, poets, seers, critics, humorists; they were like one another and like other literary men; but Clements was sole, incomparable, the Lincoln of our literature." Mr. Howell's book closes with reviews of Mark Twain's books. Price \$1.40 net.



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

Interest at the rate of 3% per annum is paid by this institution on inactive accounts. Active accounts are also invited and high grade bonds yielding substantial interest returns are furnished through our Bond Department.

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	H. T. SIBLEY, Manager Investment Department	

RESOURCES OVER FIVE MILLION DOLLARS.



Los Angeles

Stoddard Jess, vice-president of First National of Los Angeles, will take a long vacation in the hope of recovering from the ravages of a severe attack of the grip. As a member of the harbor commission he has asked for a leave of absence of six months, but he does not expect to be absent from the bank as long as that. He expects to pass much of his time on the coast, especially on his ranch property in the San Joaquin valley.

At the annual meeting of Broadway Bank & Trust Company, of Los Angeles, seven members of the Citizens' National were elected to places on the directorate, an even half of the board, the other seven remaining from the original number that controlled the destiny of the state bank. Although the Citizens' representation of the board is an even half, it is known to own the control. R. J. Waters, president of the Citizens', is also head of the Broadway. Warren Gillelan, who was president of the state concern, will remain as vice-president, and R. W. Kenny, vice-president, retains his title. A. W. Redman remains as cashier, and H. A. Keeler, one of the tellers of the Citizens', is made assistant cashier.

Southern California bankers were deeply interested in the developments at Sacramento, resulting in the ousting of Alden Anderson as state superintendent of banks and the appointment of State Treasurer W. R. Williams to the vacancy thus created. Under the law that went into effect July 1, 1909, the superintendent of banks should be a banker of active experience, something that Mr. Williams is not. But the legislature made it easy for the governor to remove the man who had contested the gubernatorial nomination with him. The promotion of Mr. Williams left a vacancy which the governor filled by appointing as state treasurer E. D. Roberts, who is president of two banks at San Bernardino and is interested in two more. There was a popular feeling that if Mr. Anderson had to go his place should have been given to a man with active banking experience—Mr. Roberts, for instance.

Since the return of Willis H. Booth, vice-president of the Equitable Savings Bank of Los Angeles, from his trip to the Orient, with the delegation of the Associated Chamber of Commerce, he has been in popular demand as a lecturer. Mr. Booth made a deep study of the prospects of extending the Pacific Coast trade in the Far East.

Architect Thornton Fitzhugh has completed plans and is taking bids for the erection of a store and office building at Monrovia for the American Monrovia Investment Co. It will be two stories, 93x126 feet, with a full basement. The first story will contain two banking rooms, drygoods store and postoffice. The second floor will be divided into offices.

MEET AT HARRISBURG

The annual meeting of the Central Pennsylvania Bankers Association, comprising eleven counties in the central part of the state, was held in the Masonic Temple, Harrisburg, Wednesday, February 22d. J. T. Bremmman, of the Lancaster Trust Company, is chairman of the association and presided.

John H. Moltzburger, of Reading, spoke at the business meeting on the Reading system of collecting funds in the clearing house from outlying districts. William H. Law, of the First National Bank, of Philadelphia, president of the State Association of Bankers also spoke.

Following the business meeting, a banquet was held. John E. Fox, state senator, was toastmaster.

Henry O. Williams

The directors of the First National, Joliet, recently advanced John K. Bush from the cashiership to the position of a vice-president and elected Henry O. Williams to the office of cashier.

ORGANIZE STATE BANK

The auditor of public accounts at Springfield has issued a permit to Henry Pillinger, William B. Ross and Harold Pillinger for the organization of the Austin Avenue State Bank at Oak Park. Capital \$100,000.

San Francisco

Union Trust Company has completed the removal of 4,000 safe deposit boxes from its old quarters at Market, Post and Montgomery streets, to its fine new building at Market and Grant avenues. Many of the renters were on hand to transfer their valuables from the old boxes into the new. The new vaults, in the basement of the Union Trust Company's building, have doors weighing thirty tons each. There are 10,000 boxes, ranging in price from \$4 to \$250 per annum. Ample coupon rooms, ladies' reception rooms, telephones and other facilities are provided. Under the main quarters is a storage vault for heavy or bulky articles.

The merger of the Anglo-California Trust Company and the Central Trust Company, under the name of the former, became effective February 1st, and the main office is located at Market and Sansome streets, in the quarters heretofore occupied by the Central Trust Company. Both the Van Ness avenue and Mission street branches will be maintained permanently.

MUST FILE REPORTS

Albany, February 24.—State Comptroller Sohmer has informed licensed private bankers throughout the state that he will require them to file with him within the next ten days a statement showing their assets and liabilities.

NORTHWESTERN BUYS RAILS

Chicago Northwestern Railway Company has placed an order for 40,000 tons of steel rails. The Chicago City Railway has bought 15,000 tons.

A GOLD MINE

George Woodruff, president of the First National, Joliet, is compiling a financial dictionary for young paying tellers. A sample: "Gold mine—a hole in the ground, owned by a big liar."

PROUD OF GARY'S GROWTH

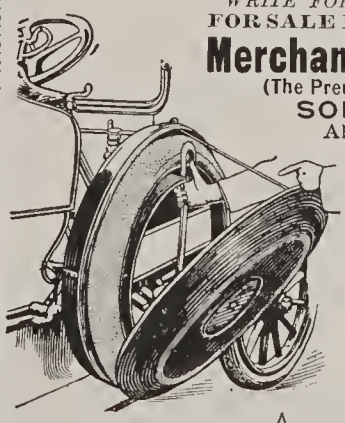
Cashier J. P. Green, of Security State Bank, Gary, Ind., was a Chicago visitor Tuesday. Mr. Green is one of the most enthusiastic advocates of the city of Gary and says every resident of the place is proud of its rapid industrial development.

INDIANAPOLIS BANKER HERE

President Charles E. Coffin, of Central Trust Company, Indianapolis, was a caller at Western Trust and Savings Bank in Chicago Tuesday.

The First National and the Northwestern National of Bemidji, Minn., have been named depositories of postal funds.

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"STAR" TIRE & TOOL CASE
(PATENTED)

 The "Star" Case fits any car. It is made of pressed steel. It carries spare shoes, inner tubes, small tools and spare parts. Opened, closed and locked in one minute. Nothing need be detached for removal of tires. It is thief, dust, fool and water-proof. Light in weight. Finish—Black Japan, or prime coat which can be painted by buyers to match car.

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FOR SALE BY ENTIRE TRADE
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(The Premier Metal House in U. S.)
SOLE MFR'S
Also of "Hele-Shaw" Clutch
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PHILADELPHIA
Chicago New York
Denver Brooklyn
Kansas City Baltimore

ON A PACKARD CAR
TRADE MARK ★ ON EVERY CASE

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

To guarantee deposits of state banks would only deprive the depositors of interest on their savings, say St. Paul bankers, many of whom are reputed to oppose the senate guaranty bill.

Louis Betz, treasurer of the State Savings Bank, said: "Any fund that might be created to guarantee the depositors would eventually come out of the pocket of the depositors. The banks of the state could not afford to pay the interest now paid, if compelled to contribute to the state one-half of one per cent on the average daily deposits to form a guaranty fund. Our bank alone would have to pay \$20,000 annually and of course we would have to lower the rate of interest paid depositors in order to set aside this amount."

"In time there will be postal savings banks established in St. Paul and throughout Minnesota generally. Let the people who are looking for a government guaranty deposit their savings in these banks. I think the establishment of these banks will do away with any apparent need for a state guaranty fund."

Chapter Men Make Records

C. G. Sutherland of the Capital National Bank of St. Paul broke a record for 250 checks on the machine in 3:37 1-5. His previous record was 3:54. The crack was made Saturday night at the inter-city chapter contest in the First National Bank, Minneapolis. Others were: J. P. Zimmerman, Security National, 3:42 4-5; S. R. Hawley, Second National, St. Paul, 3:44. A former record was made with 200 checks in 1907 by A. E. Turnquist at 3:07.

In the mental addition contest R. M. Chapman of the First National, St. Paul, added twenty-five checks called out in 2:02. Second was A. E. Turnquist, 2:09 1-2; third, William Wagner, First National, Minneapolis, 2:10.

Security bank clerks won out in the money counting contest: J. A. Robb handled and stacked \$955.09 in 3:23; I. E. Shattuck in 3:42; E. J. Wagenhals in 3:46; Carl Diethers of the Capital National in 3:24. The latter was \$5 off.

H. E. Cobb, president of the local chapter and Harry Libby, Thomas M. Rees and J. W. Groves, the other officers, with E. C. Phinney, were on hand to receive the St. Paul men who came over seventy-five strong, headed by President H. R. Fairchild, Secretary T. L. Lee and Treasurer Walter Honebrink. Officers of local banks came down and in the receiving line were George A. Lyon and P. G. Leeman, assistant cashiers of the First National, Stanley Bezoier and W. A. Meacham, assistant cashiers of the Security National, and W. F. Olson of the Union State Bank, with A. A. Crane, vice-president of the First National on the end of the line. Harry Lester and Fred L. Will, bank clerks, did buck and wing dances, with William Crossland, as piano accompanist.

The prize for the adding machine contest were as follows: First prize, gold watch; second prize, stick pin; third prize, cuff buttons. In the money counting contest the prizes were a safety razor, \$5 pair of shoes and a pipe. The prizes for the mental addition contest were a \$7 merchandise certificate, a stick pin and a pocket knife.

The executive committee of the Minneapolis chapter has arranged to take the Lyric theater and the show at the time for Monday and Tuesday, February 20th and 21st, to raise money for the association which has recently furnished new club rooms.

Interest in Legislation

Bankers back the Sundberg bill in the legislature for rural school consolidation, and the Sageng bill for a commission of three on educational conditions and the banking committee's saving bank bill.

Secretary C. R. Frost of the state association says the organization favors the clause of the Sageng bill providing that one member shall be representative of industry, one agriculture and one education; also that the findings of the commission shall be made in 1911 as a basis for further action in 1912. He says that banking legislation thus far proposed is in line with the association ideas for the development of the state.

The senate committee on banks has introduced three bills bearing on bank protection against fraud. One makes it misdemeanor for depositors to draw checks when they know they have not sufficient funds on deposit to cover the amount of the check; another bill makes it a like offense to circulate false rumors effecting the financial or other standing of banks which refuse to cash forged or fraudulent checks.

The punishment for a gross misdemeanor is imprisonment in a county jail for not more than one year.

Senator A. A. Poehler introduced a bank deposit guaranty bill, similar to the bill which failed two years ago. His measure authorizes the state bank examiner to assess a tax of one-half of 1 per cent on their average deposits for the last year of all banks under state control. This money shall be paid into the state treasury and held subject to the order of the state bank examiner, under regulations, for reimbursing the depositors in failed banks. Banks which fail to pay their tax after due notice has been given, shall be subject to a penalty of 50 per cent additional. State banks, under the provisions of the bill, have no option; national banks, under federal control, may avail themselves of the provisions of the proposed law at their own option.

Northwestern Miscellany

F. A. Chamberlain, president of the Security National, has left for three months. He will go South and then to California.

E. W. Decker, vice-president of the Northwestern National, and C. T. Jaffray, vice-president of the First National, have been re-elected directors in the Northwestern National Life Insurance Company. Assets are reported at \$6,085,437. The earned surplus is \$294,719, an increase of \$41,45.

On February 1st the Sac county, Iowa, State Bank occupied its new building. Banks of larger proportions are said to have nothing over the Sac bank in equipment and finish, other things being equal.

The Security Bank of Hibbing has been granted a license by the Minnesota bank superintendent. Capital is \$25,000. Officers are: President, A. C. Hansen; vice-president, H. P. Reid; cashier, W. R. Spenseley.

D. D. Devine, formerly of the bank examiner's department in Minnesota, when he goes to Hillyard, Wash., to become cashier of the First National will take his son, J. E. Devine to be teller.

School children's savings accounts at Big Stone, S. D., aggregate \$1,200. Five or six years ago Gold & Company, bankers gave the children 500 iron savings banks.

Vermont Bankers

Brandon, Vt., February 24.—The Vermont State Bankers Association held its second annual convention Wednesday. The session was interesting throughout, both by reason of the prominence of those attending and the quality of the program.

President Charles F. Chapman presided. The main features of the exercises were:

Address of Welcome by Ex-Governor Ebenezer J. Ormsbee, president of Brandon National Bank.

Response by Charles P. Smith, of the Executive Council.

Annual address by the president of the association, Charles F. Chapman, Woodstock.

Report of secretary, Fred C. Spencer, Rutland.

Report of Treasurer, David L. Wells, Orwell.

Report of executive council.

Address by vice-president F. B. Sears of National Shawmut Bank, Boston.

Annual election and banquet.

DEATH OF A DAVENPORT BANKER

The First National at Davenport, Iowa, has sent out notices of the death of one of its vice-presidents, John P. Van Patten. Mr. Van Patten was a director since 1887, and in recognition of his worth and efficient services was elected to the position of second vice-president in 1897. He has been failing rapidly since the death of his wife in April, 1910, but retained his mental vigor up to his last hours. Mr. Van Patten was the first wholesale grocer in the state of Iowa, and was identified in this line during his entire life.

OKLAHOMA LAW STANDS

Washington, February 24.—A rehearing in the case involving the constitutionality of the Oklahoma Bank Guaranty Law of 1907 was denied by the Supreme Court of the United States. The court recently held that the law was constitutional.

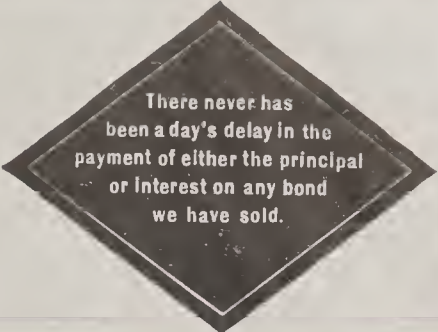
NEW BANKING FIRM

Announcement is made of the organization of a new Chicago banking house to be known as Ames, Emerich & Co., which will begin business on March 1st. The organizers are James C. Ames and Melvin L. Emerich, both of whom have been associated with the bond department of the Harris Trust & Savings Bank and N. W. Harris & Co., for seven years. It will be the policy of the new concern to bring out high class issues of bonds of municipalities and public service corporations and also gilt-edged preferred stocks.

PEORIA BANKER IN CITY

E. A. Strause, president of Interstate Bank and Trust Company, Peoria, was a caller at Western Trust and Savings the fore part of the week. Mr. Strause represents a growing bank in one of the best cities of Illinois. He reports collections good in the country and a gradual improvement in mercantile business.

E. E. Bleckley, for many years identified with the Missouri Pacific Railway at Wichita, has resigned to become assistant cashier of the Fourth National Bank of that city.

	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS First National Bank Bldg., Phone Central 6400	
PITTSBURGH	CHICAGO	PHILADELPHIA

Pittsburgh

In the Pittsburgh district 36 blast furnaces were active February 1st as against 30 January 1st.

The Pittsburgh High Voltage Insulator Co. has increased its capital from \$100,000 to \$400,000.

The East Park Premium Building & Loan Association, of the Northside, has increased its capital stock from \$200,000 to \$2,000,000.

T. P. Chandler, who has had charge of the credit department of the Colonial Trust Company has tendered his resignation to the officials of that institution, his retirement being necessitated by the serious condition of his eyes.

The sale of upward of 2,000 tons of open hearth sheet bars by a nearby mill for early shipment at \$25, Pittsburgh, an advance of \$1 a ton as compared with prices quoted during the past two months, and the withdrawal of the \$24, Pittsburgh, quotation by some mills. On account of the increased demand for crude steel, steel plant operations have been materially increased during the past week.

The West Penn Traction Company, better known in the coke region as the West Penn Railways Company, has planned largely for future years in the way of new construction. In addition to the line from Leisenring to Uniontown, now under way, eight other extensions are proposed. Steps looking toward financing the work were taken some months ago when the newly chartered traction company authorized \$25,000,000 worth of bonds. Of this amount \$350,000 are now offered for sale, principally for the building of the Leisenring-Uniontown line.

The annual meeting and dinner of Group Eight, Pennsylvania Bankers Association was held Thursday evening at the Ft. Pitt hotel. A. D. Swift, cashier of the Elk County National Bank of Ridgway spoke on the topic "Burglary and Time Lock Insurance."

The dinner was served in the English room at 7:30. Henry A. Williams, national bank examiner for this district was toastmaster and was introduced by D. C. Wills, cashier of the Diamond National Bank and chairman of Group Eight.

The other speakers and their toasts were as follows:

"The Twins—Banker and Lawyer," Thomas E. Powell, Columbus, O.

"George Washington-Koons," Polk Miller, Richmond, Va.

"A Note in Protest," Strickland W. Gilliland, Chicago.

Among the guests of the Group were F. E. Farnsworth, of New York, general secretary American Bankers Association; William A. Law, vice-president First National Bank, Philadelphia and president Pennsylvania Bankers Association; Charles H. James, assistant cashier First National Bank, Philadelphia, secretary of Group One; E. E. Lindemuth, vice-president Western National Bank, Philadelphia and

chairman Trust Company section, Pennsylvania Bankers Association; A. D. Swift, cashier Elk County National Bank, Ridgway; D. S. Kloss, cashier First National Bank, Tyrone, secretary Pennsylvania Bankers Association and a few others.

The scrap market is particularly sensitive, responding at all times promptly to good or bad influences. The present advancing tendency is ascribed to slightly heavier steel mill operations, coming at a time when there has been meager production of scrap for months.

The Crucible Steel Company of America has bought out the Halcomb Steel Company, Syracuse, N. Y., containing five 24-pot crucible furnaces, a 20-ton basic open-hearth furnace and a 4-ton electric steel refining furnace, the first electric furnace to be put in commercial operation in America. The Crucible Company is also taking over the entire holdings of the Midland Steel Company, on the Ohio river, below Beaver.

The statement of the six national banks of Connellsville shows the resources on January 7 totaled \$5,275,726.89, against \$4,612,766.38 two years previous. The total deposits were \$3,699,847.10, against \$3,060,540.63 at the call in 1909, an increase of \$639,306.47. At the January call in 1909 the surplus and undivided profits amounted to \$618,865.39, or \$21,925.52 above the figures of two years ago.

A. H. Anderson, president of the First National Bank of Finleyville, First National Bank of Castle Shannon, and the Castle Shannon Savings & Trust Company, and a stockholder in a number of prominent banks, has been appointed aide-de-camp, with the rank of lieutenant-colonel, on the staff of Governor John K. Tenor.

NOT HURT BY POSTAL BANK

The establishment of the first postal savings bank in Pennsylvania, located at Dubois, has not affected the business of the national and private banks of that town, so B. M. Marlin, secretary and treasurer of a Dubois bank, wrote to the 200 bankers forming Group Two of the Pennsylvania Bankers Association, at their sixteenth annual meeting.

The postal savings bank bill was bitterly fought by bankers of Pennsylvania, who believed that their deposits would be lessened by the government's step into the financial field.

"At the opening of the window," declared the Dubois banker in referring to the first day of the bank at the postoffice there, January 3d last, "only two depositors were on hand to avail themselves of the privilege. The first day's total receipts amounted to \$204.20, and the total for the first week a little over \$400. Since that time the postmaster has been instructed by the department to give out no more information regarding the number of depositors and the amount deposited.

"No effect whatever has been discernible in the volume of business of the three banks in Dubois, and no withdrawals have been made from any of the banks for transfer to the postal bank."

Philadelphia

Philadelphia Trust, Safe Deposit and Insurance Company earned 38 per cent last year.

At the annual banquet of Philadelphia bankers, Charles J. Rhoads of Girard Trust Company made an appeal for greater union of banking forces of Philadelphia. He said:

"I hope the time is not far distant when the Philadelphia Clearing House, which technically represents only the national banks, will broaden its field to include all the banking institutions of the city, so that we may be a united body not only in times of panic, but in times of prosperity."

The forty-fifth annual meeting of the stockholders of the Fidelity Trust Company was held Tuesday, at which the following named gentlemen were selected directors: Clement A. Griscom, George Philler, Rudolph Ellis, Thomas Dolan, Henry W. Biddle, William P. Gest, Edward Walter Clark, John S. Jenks, Jr., Charlemagne Tower, Edward T. Stotesbury and Morris R. Bockius.

The report of the president showed a profitable year in all branches of the business, one million dollars being added to the surplus fund.

After the usual distribution to the employees of \$21,155 as Christmas gratuity, the earnings for the year show 68.32 per cent on its capital.

County bankers who have no use for funds at home are piling their money into the city, and are asking their correspondents to make call loans for them as low as 3½ per cent.

Directors of the Philadelphia and Reading Railway have decided to increase the capital stock of the company by \$25,000,000. None of the stock will go to the public.

Unique in its conception is the plan of the Third National Bank to erect a new bank building in place of its present structure without vacating the premises or stopping business. Workmen are busy building an interior shell about the banking room 5 feet inside of the walls of the building, and when the framework is roofed the outer building will be torn down and a new modern bank building erected.

HIT UNLISTED STOCKS

The board of directors of the Pittsburgh Stock Exchange surprised the membership when it announced that after April 1st sales and quotations of unlisted securities would not be posted on the exchange, practically abolishing the unlisted department. The object is to bring the companies whose shares are traded on the unlisted side into the regular division, where trading is under the direct supervision of the exchange authorities. Listed companies make regular reports to the exchange, while the concerns occupying the outside market are under no such obligation. Many important corporations are represented on the unlisted side, and if all of these, or even a majority, were to come into the listed fold, the exchange would have good cause for self-congratulation.

Cashier Chas. F. Kolb, Jr., of Textile National Bank, Philadelphia, was a caller at LaSalle Street National last week.

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DANIEL G. REID
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ZOHETH S. FREEMAN
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CHARLES W. RIECKS
Vice-President
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Assistant Cashier

HENRY S. BARTOW
Assistant Cashier

HENRY P. DAVISON
Chairman Executive Com.



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George B. Case
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Charles H. Warren

CAPITAL, SURPLUS AND UNDIVIDED PROFITS
\$3,700,000.00

Fort Dearborn National Bank

Chicago, Illinois



UNITED STATES DEPOSITARY

Capital	-	-	\$1,500,000
Surplus and Profits			500,000
Deposits	-	-	21,000,000

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NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
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THOMAS E. NEWCOMER, Asst. Cashier

We particularly desire the accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and we wish to serve you

Pacific Northwest Banking News

Spokane, Wash., February 22.—George S. Brooke, formerly president of the Fidelity National Bank of Spokane, has become chairman of the board of directors of the institution, which was acquired recently by Thomas H. Brewer, formerly vice-president of the Exchange National Bank, and his associates. The latter was elected to the presidency at the annual meeting, the vice-president being Orris Dorman. A. W. Lindsay was re-elected cashier with D. D. Brooke and E. R. Anderson as assistant cashiers. The directors are Messrs. Brooke, Brewer and Dorman, D. H. Dwight, M. A. Phelps, William Kroll and William H. Stanley.

Looks for Prosperous Year

R. Lewis Rutter, secretary and general manager of the Spokane & Eastern Trust Company, who has just returned from an extended visit in New York, Chicago and the Middle West, said in an interview that money is easier than it has been in years, and that heavy investors and the public generally are confident that the present year will be one of much activity. He added:

"There are many factors throughout the country given cognizance in the East which indicate that we are on the eve of a prosperous era. The fact that the Harriman system will spend \$75,000,000 in construction and improvements affirms it. Another significant indication is the double-tracking of the lines from the Missouri river to the Pacific coast."

New Bank Examiner

Dr. F. H. Luce, of Seattle who is now the sole national bank examiner for Washington and Montana, expects to have a colleague nominated shortly, Cashier McLean of the First National Bank of Davenport having been recommended for the office by both United States Senators Jones and Piles. In reference to Eugene T. Wilson's resignation as examiner Dr. Luce said while in Spokane that the office of the vice-presidency of the National Bank of Commerce of Tacoma had come to him entirely without solicitation, and was so advantageous that he could not afford to refuse it.

Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequaled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

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T. J. HUMBIRD, Vice President
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W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

**The Old National Bank
OF SPOKANE**

Railroad Building

Robert E. Strahorn of Spokane, vice-president of the Oregon-Washington Railroad and Navigation Company, announces that contracts for 103 miles of roadbed between Spokane and Ayer, Wash., will be awarded soon. The work involves the expenditure of many millions of dollars, some of it being figured at the rate of \$175,000 a mile. Another feature is the construction of the highest railroad bridge in the United States, the bridge, to be erected near Ayer on the Snake river, will be more than a half mile in length. It is given out that construction work will begin at once, thus giving employment to several thousand men.

Bond Issue is Sold Out

M. B. Connelly, vice-president of the Washington Trust Company of Spokane, announces that the \$50,000 bond issue of Mitchem Brothers for their new packing plant here has been sold, the majority going to local investors. The bonds run for five years at 7 per cent. The Washington Trust Company was the trustee for the issue. The Mitchem plant, which will be ready for operation in 30 days, represents an investment of \$250,000.

Building Great Station

Two million dollars will be expended by the Chicago, Milwaukee & Puget Sound Railway company in building its line into Spokane and \$1,000,000 is to be expended jointly with the North Coast, now part of the Oregon-Washington Railroad and Navigation Company, in the construction of a union station in this city. A. G. Holt, terminal engineer of the Milwaukee, who made the foregoing announcement, said that everything is in readiness to award contracts and go ahead with the work as soon as the grade question is settled.

Herme F. Hahnen, chief clerk at the Iowa National, Des Moines, is critically ill at a Des Moines hospital following an operation for appendicitis. At this writing it is doubtful whether he survives.

THE HANCHETT BOND CO., Inc.
L. A. TROWBRIDGE, President WM. F. HANCHETT, Vice-President

CITY SCHOOL COUNTY DRAINAGE **BONDS**

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La Salle Street National Bank OF CHICAGO

CAPITAL \$1,000,000.00

SURPLUS \$250,000.00

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Cashier
WILLIAM LORIMER, JR.
Secretary
ANTHONY CZARNECKI
Mgr. Savings Dept.



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FRANK J. BAKER
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Rookery Building

CHICAGO

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7 WALL STREET, NEW YORK

Capital, - - - \$3,000,000
Surplus and Profits, - \$6,000,000

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SAMUEL G. BAYNE,
President Seaboard National Bank, New York
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JAMES G. CANNON,
President Fourth National Bank, New York
EDMUND C. CONVERSE,
President, New York
HENRY P. DAVISON,
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President Corn Exchange Bank, New York
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WILLIAM H. PORTER,
J. P. Morgan & Co., Bankers, New York
DANIEL G. REID,
Vice-President Liberty National Bank, New York
BENJ. STRONG, Jr.,
Vice-President, New York
EDWARD F. SWINNEY,
President First National Bank, Kansas City
GILBERT G. THORNE,
Vice-President National Park Bank, New York
EDWARD TOWNSEND,
Pres't Importers' & Traders' Nat'l Bank, New York
ALBERT H. WIGGIN,
President Chase National Bank, New York
SAMUEL WOOLVERTON,
President Gallatin National Bank, New York

E. C. CONVERSE, Pres.
D. E. POMEROY, V. P.
H. W. DONOVAN, Treas.
B. STRONG Jr., V. P.
F. I. KENT, V. P.
H. F. WILSON Jr., Asst. Sec'y.
F. N. B. CLOSE, Sec'y.
R. H. GILES, Asst. Treas.

Money, Banking and Finance from Chicago Viewpoint

Bankers say there is no chance just yet for advancing discount rates. The money market is rather unsatisfactory although the business of the country is healthy.

There is too much idle money to make banking profitable for the time being. "There is no profit in commercial banking at 4 per cent," declares President David R. Forgan, of National City Bank, and all agree with this statement.

While everybody is optimistic, trade has not reached that stage where it requires a great deal of borrowed capital. That's all that ails the money market. The lower rates in London affect American banks to some extent. They cannot lend anything there and with Europe eager to take our 4 per cent bonds and to loan money to our railroads it looks as if it would take several weeks to bring about any material change in the financial situation here.

European cities have a plethora of capital, just as American cities have. This cheap money all over the universe is likely to help the bond market. While the present low rates continue in the old countries a good 4 per cent American bond has an attractive appearance and undoubtedly there will be heavy marketing of our securities in Europe from this time on until a lot of idle money is out of the way.

Gold Supply Breaks Market

John J. Arnold, manager of First National's foreign exchange department, states that the Bank of England's reserves have been built up enormously this winter, that institution taking practically all the gold going to the English metropolis. Private discount rates were lowered to 3 and 3 1-8 per cent as a result of the Bank of England's rapid accumulation of funds. When private rates were cut the bank had to follow. Its last quotation is 3 1/2 per cent.

While this movement has been rapid there is nothing abnormal in present quotations. The private discount rate in London at this writing is 3 and 3 1/8. A year ago it was down to 2 3-16; in 1909, 2 3-8; in 1908, 3 5-8; in 1907, 4 7-8. Money has remained easy in Chicago and New York partly as a result of the European slump. It is true that the general commercial demand is disappointing and must improve before financial affairs begin to approach last year's status. All bankers agree that Mr. Hill and other railroad men who are seeking capital have their golden opportunity to-day.

Collections Help Merchants

The fact that merchants are borrowing less extensively than at this time last year does not prove that their business is bad. Their collections were slow in the fall and early part of the winter. Bills in the interior were paid late. The general inflow of cash from the country is a month later than usual. Therefore the immediate necessities of jobbers and manufacturers are taken care of largely through collections. In Chicago, as elsewhere, owners of bonds find that they are greatly favored by financial conditions. Money is in good supply at most centers, rates are easy, and some banks report that deposits are of record proportions. Railway traffic is irregular, though many of the roads are doing well. However, idle cars are numerous and greatly in excess of last year. The movement of coal is comparatively light, for which warm weather is responsible, and the paucity of business in that line deprives the railways of much bulk tonnage. There is no complaint about the movement of dry goods and shoes. The iron and steel business has shown steady improvement week after week since the first of the year.

Ground for Optimism

Taken all in all there are good grounds for optimism. Our exports exceeded our imports in January by above \$66,000,000, as against an excess of \$10,000,000 a year ago. The total exports were the third largest in any January, and imports revealed a gratifying continuation of the declining movement. It is difficult now to believe that at the end of August last there had accrued on our foreign trade for the eight months of the calendar year an actual excess of nearly \$1,000,000 in importations. Since August we have so far reversed this unfavorable tendency as to have built up an excess of exports of above \$368,000,000, a figure only once approximated in this period, and then under the stimulation of the 1907 panic. Cotton has admittedly played an exaggerated part in this showing, but we may take comfort in the fact that our imports reflect more careful buying on the part of the American people and that our exports of manufactured goods are increasing in a most satisfactory manner.

Hill's Plans are Secret

Mr. Hill's plans are still a mystery. It may

be that he is stubbornly awaiting the Interstate Commerce decisions. Although his lines have not yet come into the market with negotiations looking to the raising of new capital, it is evident that they cannot continue much longer with their policy of extending and improving unless some kind of financing is arranged.

At the close of the last fiscal year Northern Pacific carried on its balance sheet actual current assets of \$16,472,444 or with the addition of accrued interest and dividends not yet due on June 30th, of \$17,871,783. Against this there were net current liabilities of \$11,079,631 and accrued interest, taxes, etc., of \$6,619,897 more, making total current liabilities of \$17,699,528. This left practically no excess of working capital.

The Great Northern had current assets amounting to \$14,877,663 and liabilities of \$10,162,373, with another \$1,610,893 of accrued charges not due. This left the Great Northern with a working balance of \$3,104,398.

Large Sums Tied Up

Both lines raised money by the issuance of new capital stock in 1907. The Northern Pacific raised \$93,000,000 in this way, the last instalment of which was not paid in until January 1, 1909. The Great Northern received the last of \$60,000,000 in April, 1908. Most of this money has been expended, partly on improvements to the lines issuing the stock, but mostly in the form of advances to subsidiary companies. As shown by the balance sheet, little of the \$153,000,000 remains unappropriated.

The most important line built with the advances by Great Northern and Northern Pacific was the Spokane, Portland & Seattle. This is 420 miles long and was practically completed in the summer of 1909. Up to June 30, 1909, the Northern Pacific had advanced \$38,000,000, for the building of the new subsidiary. The Great Northern seems to have advanced less, its total claim from subsidiaries at that time being under \$27,000,000, but it is understood to have paid half the cost of the North Bank.

At the end of fiscal year 1910, nearly eight months ago, there was due the Northern Pacific from advances to new companies \$52,128,000, and to the Great Northern, \$31,374,000, a total of about \$83,500,000. This money is tied up for the present.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877. As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERNAN, Cashier A. R. SMOUSE, Auditor

Reserve Agent for National Banks

New London capitalists have purchased the interests in the Iowa State at New London from Mt. Pleasant parties, Robert S. Gillis estate, James T. Whiting, James T. Gillis, W. D. Worthington, J. M. Whiting estate; also the interests of Miss Lucretia Edwards of Burlington. New officers have been elected as follows: Wm. H. Bangs, vice-president; Isaac Linder and Henry J. Nugen, directors. The other officers were New London men who will continue as formerly.

Craig B. Hazlewood, assistant secretary of the Union Trust Company of Chicago, was a Kansas City visitor last week.

Des Moines, February 23.—Iowa's tax ferret law is doomed. The senate, after making slight amendments to the bill repealing the statute as it had passed the house adopted the measure by a vote of 34 to 11. The house had already passed the bill by an overwhelming vote, and there seems little choice that Governor Carroll will veto it. No legislation of the present session will be as pleasing to bankers generally, in all probability, as this. It is to the consistent fight for the repeal of the law made by bankers that much credit is due. While the house passed the repeal with very little difficulty, the senate debated the proposition for almost three entire sessions. Various amendments were proposed and adopted. But when the bill was put up for final passage, the senate retraced its steps and knocked out most of the amendments that had been saddled onto the bill the preceding day. As is passed the senate and house, the bill provides that tax ferrets shall not do business in Iowa. County supervisors, city councils, cities under the commission form of government—all are prohibited from employing tax ferrets under severe penalties. The bankers had an especial grudge at the tax ferret bill because by the terms of a recent court decision these fellows were empowered to go into a bank and inspect the books for the purpose of finding how much money was placed in the institution to the credit of the bank patrons.

Iowa Group Meetings

Several Iowa groups have selected dates for their annual meetings. February 22d saw three of them. Group Seven met at Williamsburg. Group Ten at Ottumwa and Group Eleven at Burlington. Other dates which have been announced are as follows: Group Five at Council Bluffs, April 26th; Group Nine at Osceola, May 2d; Group Four at Elkader, May 10th; Group Three at Charles City, May 6th. Several Des Moines bankers are planning to attend most of these meetings but the holding of three of them on Washington's birthday proved a difficult proposition for representatives of the local institutions.

Jacobs' Bill to Pass

The bill of Representative Jacobs which provides for the assessment of shares of bank stock against the shareholders, thus placing state, savings and national banks on the same footing, stands a good chance of passage by the Iowa legislature. The bill has been recommended for passage by the house committee. The measure was printed in full in THE CHICAGO BANKER of January 28th. The stock is to be assessed in the county in which the bank is located. Other new bills now pending which are of especial interest to bankers include Senator Jewell's bill providing for a tax on mortgages; Bakkeman's bill amending the law relative to personal incomes and providing that debtors shall be exempt to the extent of 90 per cent; Moore's bill providing for the deposit of the state funds in various banks through Iowa.

Uncle George is Popular

Newspaper paragraphers have been having some fun with Representative George W. Koontz of Iowa City, a well known banker. Mr. Koontz wears the real old fashioned boots. This is one of his hobbies. The other hobby is the fish and game question. He is a member of the fish and game committee, and is the

author of much of the legislation pertaining to this subject on the Iowa statute books. For years "Uncle George" has represented Johnson county, and there seems no prospect but that he will continue to fight the battles for the university as long as he chooses.

Editor Becomes a Banker

R. M. Estes, formerly editor of the Sidney Herald at Sidney, Iowa, and half owner of the plant has gone into the banking business in Oklahoma, and has been made president of the Planters & Merchants Bank at Oklahoma City. According to reports that reach Iowa, Mr. Estes has made a phenomenal success at banking since he went to Oklahoma six years ago, and he is now actively interested in a number of small banks in that state.

Gives Banquet Address

E. A. Slininger, cashier of the People's Savings read the paper at the monthly meeting of the Des Moines Bankers club at the Savery hotel last week. "Analysis of Bank Accounts" was the subject of Mr. Slininger's paper which was well received and much enjoyed. The banquet was well attended.

Old Time Coins

Evidences that old time coins are still in circulation came to the front at the court house where County Treasurer George L. Dobson recently received a quantity of gold pieces, some of which were dated back in 1849. The coins did not come from collectors, but were received in the course of receipts on taxes.

General Iowa News

The Davenport Clearing House Association has elected the following officers: J. H. Hass, president; Edward Kauffman, vice-president; William Heuer, manager.

One of the few woman cashiers in Iowa is reported from Garden Grove where the First National has chosen Laura Aten to handle its money for the coming year.

Col. T. L. Ashford who was cashier of the Boone National for some time and resigned recently has purchased A. J. Barkley's stock in the Boone County Bank. He has taken possession of the stock and has been made president of the institution.

The Maloy Savings is a new institution at Maloy. J. Shay is president, N. Rich is vice-president, and J. W. Scholes is cashier.

The German Bank at Luverne is taking pride in the business done by that institution during the past year, which amounted to more than \$2,500,000.

H. P. Mundt has been made president of the German Savings at Manning. He succeeds Gustav Jans who retired some weeks ago.

John Blair, vice-president of the Des Moines National has been in Northern Iowa inspecting a farm which he owns there. He has been having the land tiled and drained, and has expended some \$10,000 in improvements of this character.

Among out of the city bankers in Des Moines recently were Cashier C. P. McDonald of the City Savings and Cashier O. M. Thatcher of the Luther Savings, both of Luther; Cashier L. H. Busselle of the Chariton Bank; Cashier A. J. Fawcett of the People's State, Maxwell; Nathan Schee, interested in a bank at Cannon City, Texas.

Poindexter Warns Bankers

the special interests must fail.

Duty of the banker pointed out before six hundred banqueters

The insurgent senator elect from Washington points out to Philadelphia bankers where he thinks all the laws passed for

Philadelphia, February 20.—The meeting of Group One, Pennsylvania, at the Bellevue-Stratford brought out an attendance of 600 at the banquet. There were three speakers of note, and a lusty pointer was furnished to state secretaries and group officials in other states. Bankers, capitalists, and nested interests generally throughout the entire United States heard a message pregnant with sound reason, deep in its political logic and withal a warning flash of the danger signal, when Senator-elect Miles Poindexter, of Washington, "insurgent out of the West," addressed the annual banquet of the Bankers of Philadelphia.

Senator-elect Poindexter has not yet taken his seat in the upper house of congress, but he has spent years as a representative, and from the straight-from-the-shoulder talk he gave he promises to make a valuable addition to the senate.

The speeches were not confined entirely to business, however, for, in addition to the western senator, the list of speakers included George Wharton Pepper, of this city, and John Kendrick Bangs, a noted author and humorist.

It was Senator Poindexter who opened the speechmaking, with his serious and able analysis of the subjects embodied in his toast, "The Banker and the Law," and to Mr. Bangs was left the task of bringing the laughing, almost hilarious, close to an evening that ranks among the most important of all Philadelphia's many banquetting occasions.

It is doubtful if a better selection could have been hit upon for middle man in the list of speakers, following directly after Senator Poindexter, than Attorney George Wharton Pepper, of this city, keen student and noted author on legal subjects, corporation lawyer of more than local repute and the man who made the notorious Bay State Gas Company disgorge its unearned gains.

"You, as representing the financial interests of a large section of this country, and in your fraternity the entire country, are more interested than any other class in the proper application of 'special privilege to none and equal rights to all,'" declared the Washington senator-elect, speaking upon the dangers of a lack of vigilance at this most critical time in the nation's history.

"If corrupt political machines are to be permitted to govern this country; if votes that are not cast are counted, or votes not counted that have been cast, or if the decent citizenship of our large cities is not to be permitted to vote at all; if hundreds of votes are to be cast from vacant houses, then there is danger—I say there is grave danger—that the law upon which we depend for the protection of property will be destroyed.

"Even in this state the recent election showed a remarkable evidence of an uprising of the people. The laws are not to be defied, and the public will not complacently view any efforts to set aside their constitution and inherent American rights."

Senator Poindexter's speech follows:

"As the especial representatives of these vested interests, bankers are concerned in preserving and continuing this system of peace, order and disciplined liberty. It was not always thus. This generation has enjoyed the fruits of the bitter struggles of those who have gone before. There have been frequent inter-

vals of rapine and violence, when property was but a ribald jest, and the most sacred personal rights were but a chronic song.

"Whether we shall continue to enjoy and transmit to our children the peaceable enjoyment of property, and the blessings of liberty under the law depend entirely upon the manner in which we deal with the problems of society in our generation.

"Law is but the servant and teacher of the people, as they in turn are but the creatures of that higher law—the harmony of the universe, which balances the planets in space and prevents the wreck of matter and the crash of worlds. The laws of property and of person

JURIST SUCCEEDS IN BANK

J. D. Madding, cashier of First National Bank of Bridgeport, Ill., has been a merchant and a jurist. He has been successful in three vocations which demand ability and character. He was Master in Chancery of Lawrence county for six years, and later county and probate judge for eight years. Through his efforts the First National Bank was organized. No man in the county has a wider acquaintance. His business and legal experience has been of great value to the bank and its depositors.

When the Bridgeport oil fields were being opened in the summer of 1906, a demand for



J. D. MADDING
Cashier First National Bank, Bridgeport, Ill.

better banking facilities for that vicinity was foreseen. Through the efforts of Mr. Madding, stock was subscribed, and on September 3, 1906, the First National Bank of Bridgeport was organized, with a capital stock of \$25,000. F. J. Seed was made president and J. D. Madding cashier of the institution. Since the organization the stock has been increased to \$50,000.

One of the bank's customers recently deposited a check for \$193,000. We mention this to let the public know that no one need hesitate to take their business to the Bridgeport First National.

are made by man, and whether they shall continue to prevail depends entirely upon the confidence and respect which the people have in the justice, equality and the uniformity with which they are administered.

"If you the principal beneficiaries of the law, are indifferent to preserving its integrity you should not be surprised if an outraged public sentiment should threaten violence and disorder. We have an order-loving and law-abiding population, but they are at the same time a proud and spirited people; and do not suppose they would long tolerate injustice or oppression, however much it might be under the forms of law.

"If it should so come about that through your or my indifference the legislatures which make the laws should be chosen corruptly, instead of by a fair and honest expression of public opinion; if a corrupt political machine should sell the statutes under which we are to live; if the votes, which we cast, are not counted; if votes which never were cast are counted; if ignorant and drunken ruffians are allowed to repeat their votes, while decent citizens are not allowed to vote at all; if hundreds of votes are registered from vacant buildings and graveyards, with what reason can we complain if some day the people should grow restive under laws made by councils or legislatures chosen in this way.

"If the people's money is squandered in public building frauds, and public privileges and franchises are given away to private persons; if the public highways are operative so as to give special advantages or rebates to some shippers over others; if Wall Street is truly described as the greatest watering place in America; if taxes by way of customs duties are levied on the people, not for the public benefit, but for private aggrandizement, there is danger that the confidence and respect of the people for that law upon which we depend for the protection of property will be destroyed, and the experience of mankind demonstrates that there is no limit to the evil passions which may be engendered in this way.

"The bankers of the country are truly the 'men who raise the wind.' Instead of priding yourselves in your lack of interest and participation in the country's politics, you should be doing your share to handle the burden which is every citizen's. I hope to see the day come when the bankers of every state will take a more active part in the making and administration of our laws."

Mr. Pepper's address was a consideration of the problem of representative government, which has been regarded by many publicists as a failure in this country. "It is declared by many that our representatives in national and state government have proved unworthy of the people's confidence and unequal to their task," said he.

Notwithstanding a train of evils, which he cited, Mr. Pepper would not weaken representative government by putting the responsibility on the people through the initiative and referendum. Using the corporations as illustrations, he said that the tendency in commercial life is toward more power and responsibility for the directorates, the representative government in the corporations. He continued:

"The condition under which a representative will be at his best is the condition in which a great deal of power is delegated to him, and he

is held strictly accountable for the use of his power. My belief is that our state legislature and our state executives have not had too much power intrusted to them, but too little.

"I am opposed to any measure which diminishes their power. I do not believe in popular initiative. I think our representatives should understand that we look to them for the initiation of wise policies and needed reforms. I am in favor of giving to the executive the right to initiate legislation, but I should hold his administration responsible for the success or failure of it, as is done under the English system.

"In so far as the referendum shifts responsibility from the representatives to the people, I am opposed to it. I believe in the referendum only in so far as it affords an opportunity to call representatives to account.

"I believe in the principles of the recall, provided, however, you make the executive or other officer who is subject to recall secure in his tenure for a sufficient length of time to give his policies a fair chance to commend themselves to the people.

"I should regret to see our legislators relieved of the responsibility of electing United States senators. I think the presence of that responsibility is going to be one of the most powerful agencies in improving the character of our state legislative assemblies. In the case of the business corporation, I deplore the voting trust except as a temporary device for the rehabilitation of a corporation that has got into difficulty.

"I think that any arrangement will in the long run be found vicious which destroys the effectiveness of the stockholders' meeting as a check on the action of the directors. I think that to organize successive holding companies, which make it possible for the same body of people to take radical action in one capacity and to give final approval to their own action in another capacity is to encourage lawlessness and graft."

The idea of trusteeship, he said, underlies the representative relation. This idea the community must conserve at all hazards. This principle is particularly important to officers of banks and trust companies. "You should make common cause," he said, "with the legislator, the executive, the judge, the director, the trustee, the guardian, and you should insist, in season and out of season, that his conduct shall not be such as to bring the representative principle into reproach."

John Kendrick Bangs was characteristic, which is perhaps the highest compliment that could be paid him. In happy vein he urged the bankers with all his eloquence to establish immediately a clearing house, where all poor authors might deposit rejected works and draw out real money against such questionable deposits.

"I would suggest that between literature and the banking interests at least there should be something in the nature of reciprocity. You give me all that you have, and I will give you all that I have, freely and without reserve. I have suggested a similar idea to a gentleman who is reputed to have some money left. He is afraid of dying poor. It was Mr. Carnegie."

DEERINGS BUY LAND

The Deerings, who recently signalized their entrance into the real estate investment field by the purchase of the Home Insurance Co. building at La Salle and Adams streets, are said to have closed two big purchases of California and Louisiana lands.

The California tract, which is said to comprise 24,000 acres, was acquired from D. W. Ross, formerly in charge of the Minidoka project of the United States reclamation service, and now is in charge of a big irrigation project in the Sacramento valley, and Thomas H.

Means, who was soil expert for the Department of Agriculture, and later in charge of the Truckee-Carson project of the United States reclamation service. W. W. Gurley is said to have attended to the legal details of the transaction, and the consideration is said to have approximated \$1,000,000.

The Louisiana land deal is said to cover 150,000 acres of alluvial land near Lake Charles. The land is rich swamp muck, which it is proposed to reclaim after which it will command, it is said, in the neighborhood of \$100 an acre.

CASHIER IS MURDERED

Charles City, Ia., February 23.—The body of J. G. Cutler, cashier of the State Bank of Nora Springs, was found in the waiting room of the Chicago, Milwaukee and St. Paul station here.

Although there was no sign of a struggle in the room, there was a bruise on the head, sufficient, it is said, to cause death. It is believed he was murdered. All his money and valuables had been taken.

Mr. Cutler was called here on official business which was completed and he went to the depot intending to take the 6:15 passenger for Nora Springs. He was interested in both the First State and First National banks of Nora Springs.

POPULAR ILLINOIS BANK

First National Bank of Christopher, Ill., has come to the front rapidly and enjoys the reputation of being a sound, well-managed institution. It was opened as First National Bank August 27, 1906, successor to Bank of Christopher and in same building. Nelson Browning has been president continuously since the organization. H. M. Rea is vice-president, and Geo. W. Ward cashier. Directors for 1911: Nelson Browning, H. M. Rea, F. O. Harrison, Thos. Horn, W. T. Silkwood, S. A. Harrison, D. M. Parkhill, R. D. Smith and W. H. Thomas, Sr.

The town of Christopher is in the heart of



First National Bank Building, Christopher, Illinois

the coal mining industry, where two mines are located with 2,000 tons daily capacity each, employing about five hundred men each, and another mine of 3,000 tons capacity is being sunk near the city. In that active community the First National is both useful and popular.

At the last call of the comptroller, January 7, 1911, its deposits were \$102,398. Report of earnings and dividends December 31, 1910, showed net profits since organization to be \$15,309, of which \$6,000 has been placed to surplus, \$7,646.25 has been paid in dividends and \$1,663 remains to undivided profit account.

Wheat Weak

Sentiment in the grain trade has been mostly on the selling side, for several days. Wheat has been weak around 90 and 91 cents for May and 88 to 88½ for July.

The markets have been governed by weather conditions. The rain of last week was followed by snow and moderate weather over the wheat belt. Experts declare that nothing could have been more timely or more beneficial to the southwestern portion of the winter crop than the conditions appearing on the map from the middle of last week until trading was resumed Monday.

Houses with southwestern connections had large volume of selling orders in July and September wheat. These months had a break to new low figures regardless of the steadiness in May contracts at the time.

Corn has been easy around 50 cents. Supplies are in excess of demand.

CHICAGO REALTY DEALS

William McCoy has paid \$215,000 for the site of a projected \$500,000 hotel at the corner of Van Buren Street and Fifth Avenue, or more than \$34 a square foot, a record high price for Van Buren Street frontage.

The State Mutual Life Assurance Company has sold to President Stroebel of the Stroebel Street Construction Company, 23,000 square feet at the corner of Canal and Monroe streets for \$235,000, as an investment.

CHICAGO UNLISTED SECURITIES

Among the more active unlisted securities quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK
American Chicle (com).....	230	235
American Chicle (pfd).....	104	106
Am. Fork & Hoe Co. (com).....	122	125½
Am. Fork & Hoe Co. (pfd).....	124	126
American Laundry (com).....	37	41
American Laundry (pfd).....	108	110½
Am. Light & Tract. (com).....	286	290
*Am. Light & Tract. (pfd).....	104	106½
Amer. Type Fd'rs (com).....	49	50
Amer. Type Fd'rs (pfd).....	99½	102
Beatrice Creamery (com).....	88	89
*Beatrice Creamery (pfd).....	87	90
Bordens Cond Milk (com).....	121	123½
Bordens Cond Milk (pfd).....	108	109
*Butler Bros.	277	280
Cities Service (com).....	69	71
Cities Service (pfd).....	79	81
Congress Hotel (com).....	87	90
Congress Hotel (pfd).....	65	71
Creamery Package Co.	102½	103½
Cumberland Tel. Co.	148½	151
Diamond Rubber Co.	256	259
Elgin National Watch.....	154	157
First State Pawnrs.....	110	116
General Motors (com).....	40½	42
General Motors (pfd).....	73½	75
National Grocer (com).....	29½	32
National Grocer (pfd).....	81	83
National Safe Deposit Co.....	132	138
N. W. Gas Lt. & Coke Co.....	80	
North Shore Electric Co.....	80½	82
Northwestern Yeast Co.....	374	382
Union Carbide Co.....	106½	107½
U. S. Gypsum (com).....	9½	11
U. S. Gypsum (pfd).....	75½	77½
U. S. Motor (com).....	37½	38½
*U. S. Motor (pfd).....	60½	70
Western Electric Co.....	210	220

Miscellaneous Bonds

Auditorium 5's (1929).....		95
Auto Elec 1st 6's (1928).....	76	77½
Chicago Athletic Club 5's.....	92½	94
Chicago & Milwaukee Elec 5's (1922)....	48	
Chicago Sub'y 1st 5's (1928).....	25½	27
Cicero Gas 5's (1932).....	91	92
Congress Hotel 1st 5's.....	93½	95½
Dering Coal 5's (1955).....	30	33
Emp Dist Elec 5's (1949).....	79	81
Ill. Athletic Club 5½'s.....	90½	91½
Interstate T. & T. 5's.....	40	45
La Salle Hotel Co. 6's.....	98½	99½
North Shore Elec 5's (1940).....	97½	98½
N. W. Gas Light & Coke 5's.....	98½	100

*Ex. Dividend.

KNAUTH, NACHOD & KÜHNE, Bankers

NEW YORK

LEIPZIG, GERMANY

*Travelers' Checks**Letters of Credit*

in denominations of \$10, \$20, \$50 and \$100 in Pounds Sterling, Dollars, Marks and Francs

Furnished to Banks and Bankers for direct sale to Travelers

INVESTMENT SECURITIES

*"One
paper in the hand is
worth a thousand in the
basket"*

We believe banking relations should be mutually advantageous, and are prepared to loan money to customers whose responsibility and business with us entitle them to credit.

Our purpose is to transact any banking business to the complete satisfaction of our correspondents.

CHAS. S. CASTLE, President
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CAPITAL AND SURPLUS \$1,250,000

**STANDARD TRUST
& SAVINGS BANK**

159 La Salle Street CHICAGO

Join the A. B. A.

Appended is a list of members joining American Bankers Association for week ending Tuesday, February 14th:

Alabama: Calera, Citizens Bank; Castleberry, Peoples Bank, (Branch); Leeds, Leeds State Bank; Warrior, The Citizens Bank.

Arkansas: Berryville, Peoples Bank; Weiner, Bank of Weiner; Wynne, Bank of Wynne.

Colorado: Hotchkiss, First National Bank; Olathe, First National Bank.

Georgia: Canton, Bank of Cherokee.

Illinois: Kell, Citizens Banking Co.

Indiana: Elwood, Elwood Trust Company; Fortville, Fortville State Bank.

Iowa: Ashton, Bank of Ashton; Bancroft, First National Bank; Boxholm, Farmers State Bank; Denver, Denver Savings Bank; Duncombe, Bank of Duncombe; Floris, Floris Savings Bank; Hanlontown, Citizens Savings Bank; Manchester, State Savings Bank; Nevinville, Nevinville Savings Bank; Stratford, State Bank of Stratford; Woodward, Woodward State Bank.

Kansas: Agra, First State Bank; Almena, First National Bank; Clyde, Elk State Bank; Green, Bank of Green; Hanover, Taft State Bank; Lakin, Lakin State Bank; Lewis, Home State Bank; Linn, Exchange State Bank; Melvern, Melvern State Bank; Palmer, Bank of Palmer; Solomon, Solomon National Bank; Topeka, Topeka State Bank; Westmoreland, Farmers State Bank.

Kentucky: Waverly, Bank of Waverly.

Louisiana: Lake Providence, First National Bank; Oak Ridge, Bank of Oak Ridge.

Massachusetts: Brockton, Plymouth County Trust Co.

Michigan: Adrian, Michigan State Bank; Harrietta, Bank of Harrietta; Perrinton, The Old Perrinton Bank.

Minnesota: Delano, State Bank of Delano; Hector, Farmers & Merchants State Bank; Lowry, Lowry State Bank; Montrose, State Bank of Montrose; Ostrander, Ostrander State Bank; St. Peter, Citizens State Bank; Staples, City National Bank; Zumbro Falls, Zumbro Falls State Bank.

Mississippi: Bay St. Louis, The Merchants Bank; Richton, Bank of Richton.

Missouri: Cardwell, Peoples Bank; Leadwood, Bank of Leadwood; Ludlow, Farmers National Bank; Marionville, Citizens Bank;

New Hampton, Farmers Bank of New Hampton; Walker, Farmers Bank of Walker; Westphalia, Bank of Westphalia.

Montana: Savage, First State Bank.

Nebraska: Guide Rock, Guide Rock State Bank; Liberty, State Bank of Liberty; Ponca, Bank of Dixon County.

New Jersey: Morristown, American Trust Company.

New York: Albany, Albany County Savings Bank; Genoa, First National Bank.

North Carolina: Madison, Bank of Madison.

North Dakota: Nome, Farmers State Bank.

Oklahoma: Blair, Citizens State Bank; Chouteau, Chouteau Trust & Banking Co.; Custer City, Peoples State Bank; Eakly, Bank of Eakly; Foraker, Bank of Foraker; Fort Towson, First National Bank; Hominy, First National Bank; Oklahoma City, Central Reserve Bank; Talala, First State Bank.

Oregon: Heppner, First National Bank; Portland, Scandinavian-American Bank.

Pennsylvania: Clymer, Clymer National Bank; Dunmore, First National Bank; Woodlawn, Woodlawn Trust Company.

South Carolina: Greenville, Norwood National Bank.

South Dakota: Colome, South Dakota Loan & Trust Co.; Groton, Farmers State Bank.

Tennessee: Gadsden, Peoples Exchange Bank.

Texas: Dickens, First National Bank; El

Texans Hopeful

Recent rains over all parts of Southwest Texas have given a most hopeful inspiration to business in all lines. The soil has been put in splendid condition for farming and reservoirs used for irrigation purposes have been filled, insuring that those who draw upon these supplies will have ample moisture to make splendid crops.

In addition to the impetus given to farming operations the rains emphasized the necessity for better roads and commissioners in a number of counties have large appropriations for highway building under consideration. The indications at present are that Texas will build more miles of serviceable roads this year than in any like period of the past. The rapid growth of pasturage since the recent rainfall indicates that Texas herdsmen will get large returns for their cattle and sheep which will be ready for market in the early spring.

Fear expressed by some people, owing to the summer-like weather which has prevailed for the past six weeks, that vegetation will be so far advanced a late frost might destroy it is now allayed and the assurance of a great crop season has given a most hopeful turn to conditions in the southwestern part of the state. It is believed the cotton area will be almost double that of last year.

The Greater Des Moines committee, after considering the Williamsport plan of trust company for the purpose of inducing factories to locate in Des Moines, named a committee to investigate and report later. This committee consists of B. F. Kauffman, F. C. Hubbell and F. T. Parritt.

Campo, First National Bank; Itasca, Itasca National Bank; Kerens, First National Bank; New Waverly, New Waverly State Bank; Palacios, State Guaranty Bank & Trust Co.

Utah: Logan, Thatcher Bros. Banking Co.

West Virginia: Kenova, First National Bank.

Wisconsin: Weyauwega, Farmers & Merchants Bank; Wild Rose, Wild Rose State Bank.

Wyoming: Dixon, Stockgrowers' Bank; Newcastle, Weston County Bank.

Mexico: Sinaloa, Culiacan, Banco de Sonora, (Branch).

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Interest on Deposits — Accounts solicited
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661 WEST MADISON STREET, CHICAGO

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RATE: TWO CENTS PER WORD

FOR SALE—Miscellaneous

For Sale. Two safe deposit vaults. One medium size, suitable for banks, also one large vault with two entrances. Also two bank chests. For particulars, address, Max Schubert, 757 Washington Avenue, No., Minneapolis, Minn.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9½ inch Goerz Dagor. Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$85.00. Sell for \$4.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Business Opportunities

Wanted. To get into correspondence with person, corporation or syndicate desiring to become interested in financing and assisting in the construction of a railroad about 60 miles long in a good and prosperous section of the South, opening up a fine section of country now without railroad facilities offering possibilities of profitable developments and good local support of a railroad, which would most likely become a connecting link in a through trunk line. Rights of way and about 25 per cent of the capital required will be furnished locally. Address, "D. A.," Care of Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,
407 Monadnock Block, Chicago.

VENEZUELAN BANK PROJECT

A syndicate composed of Edgar Wallis, manager of the Venezuela Telephone and Electrical Appliances Company (Ltd.), of Caracas, Gen. R. Delgado Chalbaud, Gen. Ramon Carao, and others are seeking in Gen. Delgado Chalbaud's name, a contract from the government of Venezuela, and it is reported that the contract has the approval of the cabinet, for the establishment of a commercial agricultural and mortgage bank, with its principal seat at Caracas and branches in other cities of the republic.

Department of New Business

Jasper, Tex.—The Jasper State has been organized with the following officers: C. C. Brown, president; J. T. Howell, vice-president, and R. M. Courtis, cashier.

Atlanta, Ga.—The Travelers Bank of Atlanta, has been chartered with a capital of \$200,000. James L. Mayson and W. A. Fuller are promoters.

Ark, Tex.—A new state bank is being organized at this place with a capital of \$12,000. J. D. Allen is president and W. H. Fredericks, vice-president. W. E. Wilson, Thad Ray, D. P. Jarvis and M. M. Joyner are interested.

Kyle, Tex.—The Kyle State Bank has been incorporated with a capital stock of \$30,000.

Huntington, Tex.—The Guaranty State Bank is a new enterprise. W. J. Townsend, Sr., is president, and G. J. Ivy cashier.

Fruitland, Md.—The Bank of Fruitland has been chartered with a capital stock of \$12,000.

McConnell, Ill.—Charles Stringfellow of Glencoe, Ky., and citizens of McConnell are contemplating the establishment of a state bank here with a capital stock of \$25,000.

Waycross, Ga.—The Waycross Savings & Trust Company has been organized with a capital of \$100,000. L. J. Cooper is president, J. S. Williams vice-president and D. F. Arthur secretary.

Shelton, Conn.—The Shelton Trust Company has been organized with a capital of \$50,000. Edward W. Kneen, Stephen Palmer, A. R. Smith, G. H. Newcombe and others are promoters.

Altoona, Iowa—J. E. Reid, H. H. Hammery, O. H. Pearson, Jos. C. Garwick and J. V. Lee have incorporated the Altoona Savings Bank with a capital stock of \$10,000.

Flandreau, S. D.—The Farmers State Bank, with a capital of \$25,000, has been chartered. C. S. Brakke, Alfred Kohler, L. B. Halversen, L. Haasvold and O. F. Smith are promoters.

Andrews, S. C.—The Bank of Andrews has been granted a charter. W. H. Andrews, H. K. Ward and others are promoters.

Bradyville, Tenn.—The Bank of Bradyville is being organized here. Capital \$10,000.

Central Valley, N. Y.—A new bank has been organized here. Capital, \$30,000. H. D. Lord, president; J. M. Barnes, vice-president, and Geo. Cornell, cashier.

Ceres, Cal.—A new bank has been organized here. Capital, \$25,000. J. W. Hellman, Jr., of San Francisco; C. R. Tillson, of Modesto; C. N. Whitmore and Warner Bros., of Ceres, are interested.

Cunningham, Kan.—The Farmers State Bank has been organized. Capital, \$10,000. J. N. Wilson president.

Dane, Wis.—The State Bank of Dane has been incorporated. Capital, \$12,000. Promoters: Michael O'Dwyer, Byron Rapp and Will O'Dwyer.

Dustin, Okla.—The Oklahoma State Bank has been chartered. Capital, \$15,000. Promoters: W. N. Fayant, J. R. Buckler, W. V. Brown and J. F. Parker.

Fort Worth, Tex.—The Bankers Trust Company has filed articles of organization. Capital, \$100,000. R. T. Stuart, president; W. B. Harrison, vice-president, and Ben. F. Allen, Sr., secretary and treasurer.

Guilford, Mo.—The Citizens' Bank is a new institution here. Capital, \$15,000. John McKee, Alex. H. Wilson, Frank L. Clayton and J. V. Pugh, promoters.

Harlenton, Tex.—The First State Bank has been chartered. Capital, 50,000. P. O. Craver,

W. N. Peal, E. L. Petet and others are interested.

Hillsboro, Tex.—The Hillsboro County State Bank has been chartered. Capital, \$50,000. Promoters: Thos. Ivy, Thos. J. Files and J. T. Johnson.

Hope, Kan.—The Farmers State Bank is a new enterprise here; M. A. Anderson, cashier.

Howorth, Okla.—A new bank is being organized here.

Jefferson, S. D.—A new bank has been organized. R. J. Authier & Sons, promoters.

Kilkenny, Minn.—A new state bank is to be organized here. James Stanley, of Mankato, Minn., will be cashier.

Kenyon, Minn.—G. A. Flom, of Courtney, N. D., and others are promoting a new bank here.

Lewiston, Idaho.—The Union Trust Company has been incorporated.

Malone, Tex.—The First State Bank has been organized. Capital, \$15,000. S. Q. Pierce, president, and T. S. Stockton, cashier.

Manning, S. C.—The Peoples Bank & Trust Company has been organized. Capital, \$25,000. Promoters: R. J. Alderman and C. R. Spratt.

Mineola, Mo.—A new bank has been organized in this place. W. C. Crane, president, and J. W. Tate, cashier.

Mt. Leonard, Mo.—The Bank of Mt. Leonard has been incorporated. Those interested: R. T. Brightwell, J. A. Brightwell, E. P. Grimes, T. S. Smith, Louis Seibert, H. A. Ransberger and A. Ransberger.

Mullinville, Kan.—The Mullinville State Bank has been organized here.

Oakland, Minn.—The First State Bank has been organized. Capital, \$10,000.

Opp, Ala.—The Loan & Trust Company has been organized here. Messrs. Black, Henderson, Waters, of Troy, Ala., are interested.

Saybrook, Ill.—A new bank has been organized here.

Thunder Hawk, S. D.—The State Bank of Thunder Hawk has been incorporated. Capital, \$10,000. L. O. and Louis Pearson of Thunder Hawk, A. W. Pearson of Peever, and Robert Pearson of Sisseton are the incorporators.

Waco, Tex.—The Farmers & Merchants State Bank has been organized. Capital, \$100,000. Promoters: L. Fouts, of Dayton; W. W. Lastinger, of Center; W. L. Garret, J. C. Holloman and Geo. Bird, of Waco.

Winfield, Ala.—The Winfield Bank & Trust Company has filed articles of organization. Capital \$25,000.

Wilson, Col.—The First State Bank, with a capital of \$10,000 has been organized. Henry D. Tudor is president, B. H. Tallmadge vice-president, and F. C. Tallmadge cashier.

New Haven, Conn.—The Broadway Bank & Trust Company is being organized. R. C. Lightbourne, Ralph S. Pagter, Frank S. Bishop, Frederick M. Ward, Frank S. Platt, Henry Baldwin, and others are promoters. The institution will be located on Broadway.

Delphos, Ohio.—The Peoples Bank of Delphos, with a capital of \$50,000, has been incorporated by Edward L. Stallkamp and others.

Milford, Mich.—The First State Bank is the title of a new institution capitalized at \$25,000. V. E. Lacy is president. The institution will succeed the banking firm of Lacy & Liddell.

Louisiana, Mo.—The Farmers State Bank has been chartered with a capital of \$50,000. D. M. Pearson is president.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

is a section of the A. B. A. and if Paton is to be cajoled we suggest making him and his valuable paper a section.

BOONE COUNTY BANK, mentioned elsewhere, has added to its list of partners B. P. Holst, F. H. and Mary E. Johnson and H. W. Borg. It is said to be the intention to convert into a state bank within the next thirty days, with full paid capital. There is said to be quite a movement on in Iowa toward incorporation of partnership banks.

"TOURIST, Hotel and Travel News," has a full page cover view of "Scene in La Salle Street, Chicago," showing Trinity church in the distance, the A. B. A. headquarters balcony at the right and J. P. Morgan & Co., in the foreground. If taken from any point in LaSalle Street it must have been a very long focus lens.

PEOPLE'S SAVINGS BANK, Cedar Rapids, reports deposits of \$812,124, or nearly double what they were four years ago. In their folder Cashier Burianek has this announcement:

"SPECIAL: We believe in reaching for business, and are reaching for yours; can't we induce you to make the start by giving us at least part of it?"

BOSTON CLEARING HOUSE reports for 1910 show a loss in exchanges over 1909 of \$140,000,000; a loss in balances of \$50,000,000, and a growth in collections of \$14,000,000 for the same period. In fact the clearings were less for 1910 than they were in 1906, and so were the balances and collections. Too much dignity, reserve and exclusiveness, perhaps, to suit the times. The Boston banker isn't either an advertiser nor a mixer to any noticeable extent.

THE OKLAHOMA BANKER has been taken over from the printing company which formerly issued it, by the state association. An attempt will be made to make it self supporting by soliciting advertising. As a house organ it probably will give useful service. W. B. Harrison, secretary, will be the editor.

BANK officers of Richmond, Va., say that the new schedule by which all banks which are members of the Clearing House Association close at 2 P. M., daily except Saturday, has proved far more satisfactory than has been anticipated, especially in view of the fact that not a single complaint has been heard from the public. Business people have found the earlier closing plan beneficial because all of the officers and clerks of every bank are on duty continuously until 2 o'clock. Heretofore, they would go out for lunch at irregular hours, and it was often difficult for the visitor to find the department head with whom he desired to transact business. Now, a man does not have to telephone to a bank to see if one officer or another is in his office.

THE Richmond idea is likely to prove contagious and there seems to be good reasons in abundance in Richmond at least, for its adoption. What do you think about it? Golf?

ABOUT those Kansas City conventions. Already they have it that the "wets" will stop in K. C., Missouri, and the "drys" in K. C., Kansas. And the "joint" meeting will be in wet territory. Really the two big conventions meeting on the same date will give the gathering national importance.

NOW what do you think of that graceless scamp who "put out" Oliver C. Fuller at Palm Beach? The treasurer of the big golf association is entitled to more consideration (handicap) and something must be done to fix this up.

MINNESOTA BANKERS ASSOCIATION has put Bemidji on the map. Previous to the decision of the executive council to hold this year's convention at that resort, almost any of the big city bankers would have given it as his best guess that Bemidji was a foreign city or a foreign country. Lake Bemidji is one of the chain of small lakes of which Lake Itasca is one, the latter being famous as the true source of the Mississippi river. Be it known that Bemidjians now claim that honor for their own lake.

WHEN the executive council met at St. Paul it was planned to run one or two special trains from Minneapolis and St. Paul, picking up south Minnesota bankers and those who might gather at the centers and take them to Bemidji. The itinerary as partially planned includes a side trip to International Falls, Canada, where wonderful developments are going on. At least a half a day will be spent at this point.

A. G. WEDGE, JR., vice-president of the First National at Bemidji, and W. L. Brooks, cashier of the Northern National at the same place, are both members of the Minnesota executive council and were instrumental in having their "magic city" chosen as the place of the coming convention.

M. R. WEDGE is sending out a very attractive little booklet, fully illustrated, showing how the present town site of Bemidji was chosen in the fall of 1896. At that time there was not a human habitation in sight. Now they have granite bank buildings, public school buildings of the very first grade, and fine churches representing nearly all the leading denominations.

BEMIDJI is situated on the west shore of the beautiful lake of the same name. It is two hundred and seventy miles north from St. Paul, one hundred eighty miles west from Duluth. It is due east ninety miles from Crookston, and its boomers declare that it is to be the metropolis of the great northern country. Practically it is their endeavor to make it the central point, commercially and financially, of tributary territory—something in excess of forty thousand square miles.

DELEGATES to the coming convention are invited to bring along their fishing tackle since Lake Bemidji is one of the best fishing points known to the Northwest. It is surrounded by farming and timber lands which are rapidly being developed.

THERE will be no difficulty about transportation, for four great railroads intersect at this point. They are the Great Northern, the Northern Pacific, the Minnesota, Red Lake & Manitoba, and the Minnesota & International. It is the boast of the bankers there that they have twelve passenger trains daily stopping at that point. The population in less than fifteen years has grown to approximately six thousand persons. Mr. Brooks, mentioned in one of the above paragraphs, formerly was a resident of Englewood in this city and is doing all he can to induce leading Chicago bankers to attend the coming convention. Indications now are that he will be quite successful. **CASHIER.**

TWO VETERAN BANKERS

Washington Hadley, of Whittier, Cal., has been written up in various journals as the oldest bank president in the world. Mr. Hadley is 93 and has been president of a bank for 61 years.

Now comes John Gardiner, of Norwalk, O., and shows that he is 95 years old and has been president of a bank for 66 years. It is 78 years since he began clerking in a bank. He attends to business at his office six days in the week and takes a keen interest in public affairs. He is widely known and has a fine record.

Panama Bonds

Washington, February 20.—An issue of \$30,000,000 to \$50,000,000 of 3 per cent Panama bonds seems certain to be made as soon as congress passes the bill authorizing the secretary of the treasury to withhold the new securities from use as a basis for additional national bank notes.

In the event the present opposition to the legislation affecting the bonds should prevent its passage an issue of 3 per cent certificates of indebtedness having one year to run is probable. That is the treasury's tentative plan now.

In view of the sale of about \$100,000,000 industrial improvement bonds during January and the prediction that about \$500,000,000 more will find their way to market in the next few months, treasury officials agree that this is a propitious time for an issue of government securities.

Secretary MacVeagh wants to make the issue a popular one. Recent statistics gathered for him by Assistant Secretary Andrew show that more than four-fifths of the bonds of the United States are owned by the banks and that only 20,000 individuals of a population of 92,000,000 are registered as holders of government securities, while France with a population of 40,000,000, has more than 5,000,000 investors.

Treasury officials interpret the demand in some parts of the country for a system of bank deposit guaranty and the response to the establishment of the postal savings system as indicating a popular demand for government secured means of investment, such as would be presented by bonds available to the public.

INDIANA BANKING NEWS

The Rushville National Bank opened for business Thursday in its new building, at Main and Second streets, Rushville. The structure is built of Bedford stone, and cost, with the site, about \$30,000. This bank, which was the first institution of the kind in Rush county, was organized in 1857 as a branch of the Indiana State Bank, with George Hibben as president and William G. McReynolds cashier. February 22, 1865, it was reorganized under its present name, with \$100,000 capital. Its total resources now foot up a little more than \$500,000. Its present officers are: President, Theodore Abercrombie; cashier, Albert L. Winship; assistant cashiers, Henry P. McGuire and Wilbur Stiers; bookkeeper, Miss Anna Bohannon.

With a capital stock of \$25,000 and forty stockholders distributed throughout Jay county the Jay County Savings and Trust Company has been formed, and will in a short time open its doors for business in Portland. The directors are George H. Smith, Dr. James S. Culbert, Alpheus A. Adair, William Magill, John F. LaFollette, Charles E. Schwartz and Thomas W. Shimp.

An important change in Vincennes banking circles occurred last week when Henry J. Boeckman, who has served as vice-president of German National for a number of years, was elected a director as well as vice-president of the Second National Bank.

The new Farmers State Bank of Monticello has elected the following officers: B. B. Baker, president; Frank J. White, vice-president, and W. F. Brucker, cashier. The institution will open about April 1st with a capital of \$25,000.

The most beautiful marble work ever seen at Wabash has been placed in the offices of Farmers and Merchants National.

J. D. Mather, of Middlebury, has bought a controlling interest in a bank at Weatherford, Okla.

The two banks at Hillsboro will consolidate, forming a state bank.

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

DONNELL SAFE COMPANY

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The Audit Company of Illinois

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atizing Public Service Corporations**

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REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

FOURTH STREET NATIONAL BANK

OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,300,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
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JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	



If You Desire to Collect Your Out-of-Town Items
Promptly, Send Them to The National City Bank of Chicago

Correspondence Invited

The National City Bank of Chicago

Capital, Surplus and Undivided Profits \$2,000,000

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ALFRED L. BAKER	Vice-President	A. W. MORTON	Assistant Cashier
CHARLES B. PIKE	Vice-President	W. T. PERKINS	Assistant Cashier
H. E. OTTE	Vice-President	HENRY MEYER	Assistant Cashier
F. A. CRANDALL	Vice-President	W. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	R. U. LANSING	Mgr. Bond Dept.

The Girard National Bank

OF PHILADELPHIA

Capital,	-	-	\$2,000,000.00
Surplus and Profits,	-	-	4,360,000.00
Resources	-	-	44,200,000.00

FRANCIS B. REEVES, President	
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MARCH 4, 1911

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Banking Opinion

"General business has slackened up a little in the last few days," said Vice-President R. C. Keller of Colonial Trust and Savings Bank, the fore part of the week. "There is nothing surprising nor alarming about that, however. It is the result of the Interstate Commerce Commission's decision on the rate question. There is something of a problem to be solved in connection with railway earnings and all business people will have to take a conservative attitude until matters are adjusted.

"I am just as much of an optimist as ever. We are not going to have bad times. The country is in a sound condition, but the promise is that the volume of trade will fall below that of last year. Business has been dragging for a couple of months and will continue to do perhaps through March. Chicago is suffering less than some of the other centers, because our real estate activity exceeds that of any other city and keeps a lot of money in circulation.

"I hear of the cancellation of a few orders in the iron and steel lines. That is a direct result of the freight rate decision. It would be foolish to claim that the decision has not hurt the country for the time being, but I am confident the roads will soon adjust matters and go ahead with a reasonable construction program. Money is particularly cheap and the shrewd financiers at the head of the big lines are pretty sure to get what they can use advantageously while they have a good opportunity. Wholesale merchants and the smaller manufacturers are having a fairly satisfactory trade.

"We have some encouraging features to put against this temporary bad turn. For instance, collections have been quite good all winter, thus improving the position of merchants and others. Country banks are in far better shape than they were a year ago, and I venture to say that all financial houses will have a more comfortable time of it than they had in the last months of 1910, even allowing for a smaller volume of business and reduced profits.

"The real estate situation here is interesting and calls for the use of considerable capital. Money brings at least 5 per cent in that channel. The bond market also is helping to keep money moving. Bank deposits are the greatest ever known but I do not expect to see them remain at high-water mark beyond the month of March. People will see their way more clearly in a few weeks and we will have almost normal activity when the spring trade opens."

Wheat Declines

With a drop in the price of wheat to 88 cents for May and 86 for July the market appears to be approaching a condition which has not been seen for years. Demand both at home and abroad is disappointing to holders, or in other words supplies are above expectations and fully equal to the world's requirement.

Foreign countries are raising wheat on a larger scale than ever and it looks now as if Europe could squeeze through without a

bushel of American grain if it were desirable to do so. Crop prospects are good in this country. The winter has been favorable and the 1911 crop may easily surpass that of 1910. Such facts as these are effective in depressing prices. Nothing is likely to boost the market now unless unexpected reports of damage should develop.

Corn is easy with moderate trading around 48 cents.

A. J. Williford

Cashier A. J. Williford of the Nokomis (Ill.) National was in Chicago on Wednesday to attend the meeting of the state automobile association in the interest of good roads. Mr. Williford is in the corn belt where the farmers are holding their corn for 40 cents, "but if they sold it now they couldn't deliver it on account of bad roads." He is very much in earnest in joining with the automobile forces for improved country roads.

ELECTION OF OFFICERS

The Minneapolis Stock Exchange has elected officers as follows: President C. E. Lewis of C. E. Lewis & Company; vice-president, J. L. Root, manager bond department Minneapolis Trust Company; secretary, F. A. Likely; treasurer, Todd Lewis.

Two Leading Montana Bankers



JOSEPH KOUNTZ
Bozeman, Montana

Mr. Kountz is one of the best known men in his state. He is president of the Montana Bankers Association and president of the Commercial National at Bozeman. He has served his association in many capacities.



A. L. STONE
Dillon, Montana

Mr. Stone is vice-president of the Montana Bankers Association and cashier of the State Bank of Dillon. For a young man he has done a large amount of acceptable organization and committee work.

Geo. M. Reynolds

President Reynolds of Continental-Commercial returned from New York Thursday. He had spent a week in Eastern business circles and was there when the freight rate decisions were issued.

"There is no serious alarm over the rate decisions," said Mr. Reynolds to a representative of THE CHICAGO BANKER. All business is going along smoothly.

"The first effect of the decisions is to check the aggressive demands of labor, which the roads were complaining of. In a sense that is an advantage to them. Then, again, when the commissioners showed that the roads have been doing well at present rates, notwithstanding increased expenses, they expressed a fact which is reassuring to investors. Therefore the decisions have not had a very harmful effect. There is a cheerful feeling in New York."

VISITOR FROM THE ORIENT

E. W. Frazar, M. E., representing the firm of Sale and Frazar, of Yokohama, was a visitor at First National Chicago, Thursday. Sale and Frazar are exporters of Japanese woods, particularly railway ties. They are represented in Chicago by Frank B. Stone.

Continental and Commercial National Bank OF CHICAGO

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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

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TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

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Has for twenty-five years rendered efficient and Quick Service to its Correspondents

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WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

C. F. CHILDS & Co., the new bond and investment firm, is out with its initial investment bulletin. Mr. Childs is an expert in government bonds and, of course, they lead the list. Bankers in want of U. S. bonds, on loan or by purchase, will do well to consult Mr. Childs.

ON the bond outlook Mr. Child says: "The government bond secured circulation of national banks which is now outstanding, if secured by 2 % consols purchased at to-day's market of about 101 $\frac{3}{8}$, nets the institution 1 $\frac{1}{4}$ % profit over and above the revenue obtainable by loaning the net cost of the bonds at 5%. If this circulation is maintained until the bonds mature in 1930 when they are redeemable at par, this additional net profit will continue to accrue at the rate of about \$1,350 per annum on every \$100,000 of circulation loaned. Should this annual profit be applied against the cost of the bonds, they will stand on the bank's books at about 75 $\frac{1}{2}$ in 1930."

WM. H. KNIFFIN, JR., cashier of the Home Savings Bank of Brooklyn, New York, has been appointed secretary of the savings bank section of the American Bankers Association subject to the approval of the executive council at its May meeting in Nashville. The appointment is to take effect March first.

FRANCIS B. SEARS, of the National Shawmut Bank, Boston, was one of the speakers at the Vermont bankers convention at Brandon on Wednesday last.

ANNOUNCEMENT is made of the death of Henry W. Tunis, cashier of the National Newark Banking Co., Newark, N. J., on February 15th. Mr. Tunis was well known in the East and active in state association matters.

JOHN J. LARGE, vice-president of the First National, Sioux City, Iowa, is an ex-president of the Iowa Bankers Association. He continues to take an active interest in all bank organization matters.

MR. LARGE does not overlook anything in THE CHICAGO BANKER and when he likes a thing doesn't hesitate to say so. He writes: "I notice in this week's issue the comment you make on the banker and the banking association that fight all sorts of legislation proposed, but never offer anything in place of it. To my mind," continues Mr. Large, "that is the one great weakness in our dealing with legislation. We are supposed to be against any law which regulates our business in any manner, and when the legislature sees one of us coming they figure that we are simply in there to kick about some bill which has been proposed. Why not reverse the rule, as you suggest, and help construct things along the legislative line, and really use our ability and influence toward presenting laws which will be fair both to the people and to our institutions? We would be very much surprised, I think, to find that, as a rule, our efforts were appreciated and that our

advice is considered worth something. I think we demonstrated very thoroughly in the fight against postal savings banks that a change in our methods might do some good."

CHEROKEE STATE BANK (no state, county or town mentioned on the folder) makes such a "plain statement," and such a fine showing that "More's the pity" they don't give the bank's location and name the officers. We believe that fully ninety per cent of the cost of such folders is wasted. Location and the names of the bank's sponsors should go on every piece of printing.

LOCKRIDGE SAVINGS BANK, Lockridge, Iowa, boldly announces that, "We are protected by burglar insurance against day or night robbery in the National Surety Company, New York, and our officers are heavily bonded."

PICTURES have not been run in this department but herewith is a view of William A. Tilden's newly purchased home at 48th and Woodlawn, the very heart of Chicago's best residence district. Just a little snap shot.



FROM Des Moines comes word that Iowa has been given another lesson upon the unreliability of private bankers in general in time of stress. They jump out of the state. The telegram reads:

E. J. PENFIELD, president of the Bank of Kelley, at Kelley, Iowa, has been arrested at Watertown, S. D. Penfield's bank closed Monday following a run which was occasioned by rumors that Penfield had left the state. Depositors alleged that the shortage is \$52,000.

IOWA, Illinois and Ohio can end such matters by putting all forms of banking under state supervision and inspection. Why not?

IOWA should get wise to what has been done in Alabama in the line of a new banking law, and her secretary would not be compelled to send out so many notices like the following:

IT has been reported to this office that E. J. Penfield, President of the Bank of Kelley, Kelley, Iowa, a private institution, has absconded. He is wanted by the sheriff of Story county at Nevada, Iowa.

YOU see if this was an incorporated bank the man could not have taken the bank's assets with him. He even took with him the bills receivable and Secretary Hall says: "He has defrauded a number of members of the Iowa Bankers Association and the American Bankers Association. It is not known which way Penfield went, but probably will stop in some large city."

THE sound banker has nothing to fear from published reports of his condition and the state should tolerate no other form of banking but "sound," regulated, inspected and supervised banking.

"ARTIE" HOFFMAN, the famous Cub outfielder, has enjoyed the banking business, in Ohio, and may not re-enter baseball. He is emulating "Jake" Stahl, the popular cashier of the Washington Park National, Chicago, who "likes banking."

"Artie" is cautioned to go into incorporated banking, for in banking as in baseball, the leaguers have it all over the wild cats.

WE hear from Washington that the supreme court solved a most perplexing question with the wisdom of Solomon, but in such a way as to cause a smile to spread throughout the courtroom.

RECENTLY the court declared constitutional the bank deposit guaranty of Oklahoma. On Tuesday it took occasion to refer to that decision for the purpose of discussing means by which its operation would not be a burden upon bankers.

WITH all seriousness it declared that those bankers who found the tax imposed under the law a greivous burden had an avenue of relief open to them—they could go out of the banking business.

"RAILROADS AND THE PEOPLE," is the title of an able booklet by President E. P. Ripley of the Santa Fe. Originally the article appeared in Atlantic Monthly.

THE "United Realty Company," Chicago was closed up by the U. S. postoffice inspectors on Tuesday. They made their money by securing "deposits" to bind sales which were never made or authorized, using dummies for the purchaser. There are hundreds of such concerns. The postoffice should forbid the mails to newspapers which carry their ads.

N. P. GATLING, of Lynchburg, long time secretary of the Virginia association, has been made an assistant cashier of the Chatham and Phenix National, New York. This is the big merger bank under the presidency of Louis G. Kaufman.

EVERY one hoped to see Gatling go to the head of the secretaries' section next year. He now is vice-president of the section, but will follow the usual course, no doubt, of joining the list of associate members, including Chapman, Dinwiddie, Judson, Graettinger and other well known ex-secretaries.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
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Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
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THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis is the logical Twin City connection.

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CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

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Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

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	CHARLES G. DAWES, ex-Comptroller of the Currency

American and Canadian Banking Reforms

Prepared for European
publication by W. R.
Lawson, of London

PART II

A proof of how anxiously all the different requirements of the commercial community are provided for in Canada is afforded by the special authority given to lend on subjects which might otherwise be considered inadmissible. No English bank would be likely to lend on standing timber, but that is one of the special securities recognized in Canada. According to clause 84 "a bank may lend money upon the security of standing timber and the rights or licenses held by persons to cut or remove such timber." If there was the smallest percentage of truth in the charges and counter charges which political candidates hurled at each other during the recent elections, timber limit banking must have been very active in the preceding five or six years.

Other advances specially authorized are on ships in course of building, warehouse receipts, and bills of lading. Those are all carefully safeguarded, however, and large powers of self-protection are conferred on the bank. It has the same rights as an individual would have in similar circumstances as regards mortgage, hypothecation, privilege or lien. It may (clause 86) "acquire and hold any warehouse receipts or bill of lading as collateral security for the payment of any debt incurred in its favor, or as security for any liability incurred by it in favour of any person in course of its banking business." Moreover, any warehouse receipt or bill of lading so acquired shall vest in the bank from the date of acquisition.

That goes farther, I believe, than our own law on the point and gives the bank larger rights, thereby improving its security and giving facilities for an important class of banking business. It is under the warehouse receipts and bills of lading clause that the immense grain movement from the West is financed. Thanks to the strong legal position given them, they constitute one of the safest banking securities available. Nor is it agriculture alone, or lumber, that Canadian banks are expected to foster and promote. Every branch of trade and industry is commended to their care in the comprehensive law now under revision. And when we remember how completely all commercial interests are ignored in our own lawyer-made bank laws, such business-like provisions may well excite our envy.

The important clause (88) applies to wholesale shipping and mercantile advances. It says:—"The bank may lend money to any wholesale purchaser or shipper of, or dealer in, products of agriculture, the forest, quarry and mine, or the sea, lakes and rivers, or to any wholesale shipper of, or dealer in, live stock or dead stock and the products thereof, upon the security of such products or of such live stock or dead stock and the products thereof." The same clause adds that loans may be made "to any person engaged in business as a wholesale manufacturer of any goods, wares and merchandise, upon the security of such goods, wares and merchandise." One of the schedules of the act provides a special form of lien for such advances, and the act puts it on the same footing as a warehouse receipt.

In fact the warehouse receipt form of bond is

extended to nearly all kinds of commercial subjects. It would be hard to say what a Canadian could not borrow upon from his banker. The lending powers enumerated in the bank act are exhaustive. It is in various ways a great advantage to the banks to have them so explicitly enumerated as they are in the act. In the first place it gives bankers a clear idea of their legal powers and rights. They need hardly ever be for a moment in doubt as to where the line should be drawn. In the second place, it has a splendid educative influence on the younger officials. It sets something definite before them to learn, and if they are not absolutely stupid or lazy, they can soon master it. But they are never done learning, for the act is always being amended and improved.

That was, in fact, the object of limiting bank charters to ten years. The founders of the Canadian banking system felt that the commercial and industrial conditions under which it had to be carried on were in such a state of evolution that frequent re-adaptations to their growing needs would be necessary. It was, therefore, wisely resolved to have them brought under reconsideration at reasonably short intervals, and ten years was fixed upon as a term convenient for all interests. It should be understood that these arrangements were made in friendly consultation between the government and the banks. The government on one side stated the safeguards and guarantees which it deemed essential to the public safety, while the banks on the other side objected to whatever they considered needless or unworkable restrictions. As the result of these amicable negotiations a compromise measure was framed and submitted to the Dominion Parliament, which generally passed it with very little alteration.

Three or four of these decennial revisions have taken place, each of them tending to strengthen the official supervision exercised over the banks. It might have been thought that after such a long course of improvement the Canadian banking law had almost reached perfection, but even yet weak points have been found in it, or at least what the government considers weak points. Every bank that fails or suspends is treated as an object lesson. Any peculiarity in the causes of failure, or in the methods of the insolvent bank, is carefully discussed, and, if possible, a remedy is provided for it.

Unfortunately there have been during the past decade some nasty casualties among the younger and less solid banks of the Dominion. When an official investigation took place it was found that there had been bad bookkeeping

as well as bad banking. In one case the bulk of the bank's resources—capital as well as deposits—had been locked up in a silver mine in an unimproved part of the Cobalt district. This fatal mistake was only discovered by the shareholders of the bank after it had closed its doors. An important clause in the new bill aims at preventing a recurrence of that danger. It gives shareholders the right to call for a special audit of the books and securities by independent auditors beyond the control of the directors.

This is, perhaps, the most notable amendment on the list. If Canadian banking has any weak points, one of them undoubtedly is the lack of an independent audit. The national banks of the United States are all audited at irregular intervals by a treasury official. He is given a very free hand, and is armed with large powers of control. These go so far that he may suspend any bank which is not complying with the law. Moreover, they are frequently exercised. A great deal of bad banking escapes the notice of these official inspectors, but every now and then they make startling discoveries, as in the recent Carnegie Trust case.

Canada has no official corresponding to the national bank inspectors of the United States, and it does not want them. At the same time the need of independent inspection is admitted. It could hardly be denied in the face of incidents like that of the Farmers' Bank, which came to grief last December. This was a flagrant specimen of the mushroom banking against which the Canadians have to be on their guard. A liberal and elastic banking law like theirs cannot fail to be frequently abused, but they may justly claim that none of these abuses has been allowed to go far or to entail very heavy losses on their unfortunate victims.

The Farmers' Bank of Canada was little more than four years old when it closed its doors. It was organized in November, 1906, with a nominal capital of half-a-million dollars. The stock was peddled out to farmers and country cousins who were told that by becoming their own bankers they would free themselves from the yoke of the large banks, which were controlled by capitalists. The first issue of stock was given to them at \$100, but for the second they had to pay \$125, and they must have swallowed the bait pretty freely, for soon after it started the bank was able to raise its nominal capital to a million dollars.

Still more significant of the glamour which anything calling itself a people's bank can exercise on a certain class of the public was the fact that in less than four years this concern raked in fully a million and a half dollars of deposits, including \$45,000 from the Provincial Government of Ontario. It spread its net far and wide for deposits, having during its short career opened thirty-one branches. Anyone who took the trouble to compare the amount of its deposits with the number of its branches must have seen that the deposits did not average \$40,000 per branch, consequently most of the branches must have been losing money.

Nevertheless, this manifestly unsound concern lasted four years, and might have gone on much longer if the directors had not in a mo-

ment of madness prosecuted certain officials who had gone over to a rival bank. Damaging disclosures were made in course of the trial, in which the judge commented severely. The depositors took alarm and started a run, which very soon exhausted the slender balance in the till. The finale was short and decisive, proving that if the Canadian bank law cannot stop mushrooms springing up it makes short work of them as soon as they are found out. On December 19th the Farmers' Bank could not meet a small balance of \$20,000 there was against it in the Toronto clearing house. The chairman of the clearing house notified the chairman of the Toronto district of the Canadian Bankers Association, who in turn notified the president of the association, by whom a curator was put in temporary charge of the failed bank. Thus the safety of the assets and the interests of the depositors were promptly protected when the smash came, but the public naturally ask if something could not have been done to pull up a notoriously suspected bank before it had done so much mischief. That is a practical question which will have to be dealt with in the new banking law.

The bill which Sir Wilfrid Laurier, in the absence of the finance minister, Mr. Fielding, introduced before the Christmas holidays contains provisions to enable shareholders to institute inquiries on their own account when they see fit. At a general meeting they can appoint auditors to make a special audit and report directly to themselves. At any time individual shareholders, representing not less than five per cent of the total capital of the bank, may claim a special audit. To these special auditors very large powers are given—almost too large it may be thought by disinterested observers. They are to have full access to the books of the bank, the right to inspect them and to compel the production of all necessary information. Their report, when made, has to be included in the next annual report of the directors, so that it cannot be burked or side tracked.

The special audit at request of the shareholders is evidently a compromise between the present system of internal inspection and the United States system of government inspection. The latter has not many advocates in Canada, and it would certainly be an extreme step to take all at once. In course of time some combination of internal and external inspection may suggest itself. Taken singly they have obvious defects, but it is difficult to see how they are to be combined without hampering the operations of the banks and weakening the responsibility of the directors. The latter point, however, is not being neglected. One of the most drastic clauses in the new bill relates to the publication of accounts. If passed, it will render every president, vice-president, director, general manager and principal official of a bank liable for the accuracy of all the published returns, reports or other documents to which his signature may be attached.

Subjoined is the full text of this formidable clause, which is certain to encounter no small amount of opposition in committee:

(a) Every president, vice-president, director, general manager or principal officer next in authority to the general manager in the management of the affairs of the bank, inspector, chief accountant or officer performing the duties of chief accountant, and every auditor of the bank who prepares, signs, approves or concurs in any account, statement, return, report or document respecting the affairs of the bank, without due inquiry, and unless he has first obtained information reasonably adequate and sufficient to establish and verily believes that the account, statement, return, report or document is in every respect true and correct, and that all the facts stated therein are truly stated; or who uses, with intent to deceive or mislead

any person, any account, statement, return, report or document respecting the affairs of the bank; and

(b) Every manager or other officer of the bank who prepares, signs, approves or concurs in any account, statement, return, report or document respecting the affairs of the bank; or who uses, with intent to deceive or mislead any person, any such account, statement, return, report or document, shall, if the account, statement, return, report or document in fact contain any false or deceptive statement, be held to have wilfully made such false or deceptive statement, and shall be responsible for all damages sustained by any person in consequence thereof, even although the signature, approval or concurrence of such president, vice-president, director, general manager, principal officer, inspector, chief accountant or officer performing the duties of chief accountant, auditor, manager or other officer appears or is stated or intended to operate or express consent approval or concurrence merely according to the best of his knowledge and belief or other qualification to the like effect.

The above clause is admitted by its authors and supporters to be hard on directors, but it is justified on the ground of its being a mere adaptation of English law. In principle it may be, but the principle of the thing is not the difficulty. For that matter, directors and managers of joint-stock companies are answerable at common law for any injury they may cause by publishing false or misleading accounts. But the question what are false or misleading accounts must be left to the courts, which are generally indulgent in their interpretations. Here, however, a doubtful attempt is made to tie them down by strict definitions of what are to be considered false returns.

The director or official has, in the first place, to exercise due inquiry, which may mean anything or nothing. Next he has to obtain "information reasonably adequate and sufficient" to establish the accuracy of the document signed. What is reasonably adequate and sufficient will depend on the man himself. An expert accountant may find out in half an hour enough to warrant him in risking his signature, while a director of ordinary business experience might have to spend days on the job. Nevertheless, the plain business man might be a much more valuable director than the expert accountant. The truth is that no law can establish beforehand any general test of an honest signature

to a banking document. In the long run, that has to be left to the courts, and each case has to be decided on its own special merits and circumstances.

It is the shareholders and customers of the banks who should be the real checks on bad management. They should not give their trust lightly, but having given it, they should not nibble it away by imposing such annual checks and safeguards. A man is either a good banker or he is not. If he is the right sort he is none the better for being shackled. If he is of the wrong sort he should be kept out of the banking business altogether. Let him go into politics or land booming.

VERMONT BANKERS CONVENTION

Brandon, February 27.—The third annual meeting of the Vermont State Bankers Association held here last Friday had an attendance of 100, the largest since the association was organized. The principal address was given by F. B. Sears, vice-president of the Shawmut National of Boston. His topic was furnished by the so-called Aldrich plan for revising the present national banking system and he explained in detail the several radical features proposed in this plan which has been submitted to the monetary commission.

A banquet was tendered the members present by the national banks of Brandon and all the features of this, including the menu and the music, were very attractive and did credit to the local hostelry.

The officers elected for 1911 are as follows: President, F. H. Farrington of Brandon; vice-president, A. G. Eaton of Montpelier; secretary, F. R. Dickerman of Bristol; treasurer, David L. Wells of Orwell. The members of the executive council holding over are C. P. Smith of Burlington, W. H. Roberts of Manchester, C. F. Lowe of Montpelier and the ex-presidents of the association, Messrs. Ward of Burlington and Chapman of Woodstock. To this number were added the following for a two-year term: H. F. Field of Rutland, W. A. Boynton of St. Johnsbury, C. S. Webster of Barton and M. W. Barney of Swanton.

The meeting was called to order at 2.30 o'clock at the Brandon Inn. Prayer was offered by the Rev. William V. Berg, pastor of the Congregational Church of this village. The address of welcome was given by ex-Gov. E. J. Ormsbee of Brandon, president of the Brandon National. Response was made by Charles P. Smith of Burlington, a member of the executive council. The president's annual address was delivered by Charles F. Chapman of Woodstock. Reports were made by Secretary Fred C. Spencer of Rutland and Treasurer David L. Wells of Orwell. A general discussion followed the address of Mr. Sears.

Among those present were Fuller C. Smith of St. Albans, national bank examiner and Frank C. Williams of Newport, state bank commissioner. W. F. Scott, cashier of the Brandon National acted as toastmaster at the banquet.

WILLIAM L. MOYER RESIGNS

William L. Moyer has resigned as vice-president of the La Salle Street National Bank of Chicago. He was elected to the post about six months ago. His intention is to form other banking connections.

The new trust company bill that has been hanging fire in the Oklahoma legislature has finally passed both houses. The chief change that the bill makes in existing laws is to allow the organization of trust companies in small towns and the capital stock scales according to the population of the town. The bill also divorces trust companies from the bank guaranty system.

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ILLINOIS BANKING NEWS Gaining Business

By C. C. Burford

The passing of the first of March is an especially busy season for the country banker as well as for the banker in the larger cities of the state. Just as the first of May is the "moving-time" for the flat dwellers of Chicago, so is the first of March the season when farmers move and thereby cause more work for the banker in settling their affairs. Practically all farm leases expire on the first day of March and tenants who are changing farms and farm owners who "are moving to town" plan to make the change on that date. Many farmers who leave Illinois annually for other parts of the country such as the Northwest, the Southwest, Michigan, Ohio, or the Far West, move on or about March 1st. Mortgages are generally made to expire about this time of the year and new loans are arranged. Banks which serve as agents for insurance companies or those banks which loan money on real estate find the closing weeks of February and the opening days of March "a busy time."

The Trevett-Mattis Banking Company of Champaign who loan large sums of money on real estate annually, report the demand for money to be normal without much increase or decrease from last year. They report good business in the forty counties which they cover and state that perhaps fewer farmers are leaving the state this spring than in previous years owing to the drouth stories which have come to Illinois from various parts of the Northwest.

St. Louis Suburban Cities Grow

The growth of the "east side" cities across the river from St. Louis is well reflected in the statement of the East St. Louis and Suburban Railway for 1910. The gross earnings for the year were \$1,770,588 and the net profits were \$987,487. During 1909 the company suffered a loss from the previous year but during 1910 the loss of 1909 was recovered and a substantial gain besides was made. The company operates the East St. Louis and the Eads Bridge lines besides the street car lines in Alton, Granite City, Edwardsville and Belleville. An interurban line of interest is the projected line from Kankakee to Urbana. As there is already a trolley line in operation from Chicago to Kankakee the new line when completed will give through service from Chicago to St. Louis, connection being made at Urbana with the Illinois Traction System. There is a probability that the new road will be extended south from Urbana to Villa Grove and perhaps into the oil fields south of Charleston.

Wants Cash on Bill of 1779

Thomas A. Hudson of Danville has sent to the treasury department at Washington for redemption a bill which was authorized by the continental congress and which was printed in 1779. The bill calls for \$60 of Spanish mintage.

A. B. Hoblit is Better

A. B. Hoblit, of the State National of Bloomington, who was stricken with paralysis a few weeks ago, is better and while able to sit up, has not ventured down town yet. Since January 1st Mr. Hoblit has served as vice-president of the State National owing to the

resignation of C. C. Aldrich. The new cashier succeeding Mr. Hoblit is W. L. Moore.

Illinois Notes

William A. Heath, president of the Live Stock Exchange National of Chicago, will erect a modern dwelling on the site of the Heath homestead in Champaign. Mr. Heath formerly resided in the latter city where he was for many years connected with the Champaign National serving as cashier for some time.

Newman township in Douglas county has voted a bond issue of \$20,000 for the purpose of erecting a new township high school.

The golden wedding anniversary of Mr. and Mrs. Max Kellman of Shelbyville has been observed. Mr. Kellman is the vice-president of the Shelby County State Bank and has been prominently identified with the business life of Shelbyville for many years.

Postal authorities believe that they have a clew to the man who stole thirty-two blank money-orders from the postoffice at Edwards, Indiana. It will be remembered that a self-appointed postal inspector went into the postoffice in the Indiana town to examine the condition of affairs. While the postmaster had his back turned the supposed inspector helped himself to money-orders. One of these orders has shown up in Granite City and the police in the east-side cities are looking for a stranger who gave it to a Granite City merchant. It may be that St. Louis and suburban towns have been selected for the disposition of the orders.

Harry Borger, who is wanted in Peoria on a charge of forgery, is under arrest at Carlinville and Peoria officers will bring him to their city for trial. Borger forged a check for \$20 on the Illinois National Bank of Peoria.

There is a probability that a new state bank will be established at St. David, a village west of Peoria, where one of the Butler banks failed. While St. David is a small village yet the country around is good and a state bank conservatively managed would do a satisfactory business. It is desired that the bank be established by local people.

Alexander Dunbar, cashier of National Exchange Bank, Pittsburgh, delivered a thoughtful address at a recent group meeting on the subject of gaining business. He said:

"To my mind, there are three things that go to make up a first-class bank employee: Unimpeachable character, genial personality, and ability.

"Of these three things, the first two strike me as being most important, and I would rather select a clerk with a majority of his make-up in character and genial personality, than one of unusual ability, but lacking in these other two qualifications.

"The officers of the bank, of course, must always exercise discretion and good taste in going after business through personal effort, but it will be found most effective if properly handled. Nothing permanent or worth while these days can be gained except by personal sacrifice, or personal effort, and each day it is becoming more and more true in all lines of business, including banking. All ambitious bankers, should, therefore, enter active service as soon as possible, in order to get that much of a lead on their competitor.

"No prospective customer should be called upon until after you have looked him up carefully, and feel sure your board would be willing to extend him such credit as he will probably need from time to time. Strictly avoid competing for business by offering higher rates of interest thereon.

"A meeting of all employees of the bank with the active officers at least once a month is strongly recommended, at which time employees can be told the advantages of polite and considerate treatment to customers. Suggestions should also be solicited from employees at these meetings, looking toward the improvement of the service."

Edmund Burke has resigned as cashier of the First National Bank of Hillyard, a suburb of Spokane, to become assistant general salesman for the International Harvester Company with headquarters at Fargo, N. D. He will be succeeded by D. D. Devine of St. Paul, until recently deputy superintendent of banks for the state of Minnesota.

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INVESTMENT SECURITIES

Chatham - Phenix Bank

Consolidation of
two well known

New York institutions with Louis G. Kaufman at the head takes place successfully

New York, February 27.—Taking advantage of the holiday (22d) last week the merger between the Chatham and Phenix Nationals took place, giving New York another new bank of size and importance. The president of the new Chatham-Phenix is Louis G. Kaufman, who recently went to New York as the head of the Chatham National. Mr. Kaufman also is president of the First National at Marquette, Mich., and represents that state on the A. B. A. executive council. Mr. Kaufman on Thursday morning last, announced that the consolidation of the Chatham and Phenix national banks had been completed and that the combined institutions, bearing the name "Chatham and Phenix National Bank," will continue in the Chatham Bank Building, at Broadway and John streets, with resources exceeding \$20,000,000. The resignation of Finis E. Marshall as president of the Phenix went into effect and Mr. Kaufman is president of the merger bank.

The merger had been long in prospect, and on Monday last President Kaufman, with Frank R. Lawrence as counsel and William A. Law, one of the Chatham directors, went to Washington and got the approval of the comptroller of the currency. On Tuesday both boards of directors ratified the merger. On Tuesday night a procession of bank messengers and porters carried money and securities of the

Phenix to the amount of about \$8,000,000 through the deserted streets from 35 Nassau

Street and lodged them in the vaults of the Chatham.

When business opened in the morning President Kaufman had practically all the former officials and clerks of the Phenix to help him welcome customers. Alexander M. Bull, vice-president of the Phenix and associated with that bank for forty-nine years, will be a vice-president of the Chatham and Phenix. Bert M. Haskins, cashier of the Phenix, will be cashier, and H. C. Hooley, assistant cashier of the Phenix, will be one of the assistant cashiers, and N. P. Gatling, former secretary of the Virginia Bankers Association and recently identified with Mr. Laws' bank in Philadelphia, was also elected an assistant cashier.

The Phenix will have a majority on the new board of directors, which will consist of almost all the former directors of the Chatham and such Phenix directors as August Belmont, Elbert H. Gary, Pierre S. Du Pont, Frederick D. Underwood and others of the Phenix directorate who are to be elected at a later meeting (since held).

About the Phenix centres some of the most interesting financial history of old New York. It was organized in 1812, when the city scarcely extended north of Wall Street. Upon its board sat the merchant princes of the old city, among them the Grinnells and Minturns. It had an uninterrupted career for ninety-nine



LOUIS G. KAUFMAN
President Chatham-Phenix National Bank

WILLIAM J. BURNS, President
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Money Stagnant

Bank rates have remained easy in this and other markets for the week. The demand for money shows little or no improvement. Merchants and manufacturers are entering the spring period with fair business prospects but so far are using little extra capital.

Banks are making commercial loans at 4½ to 5 per cent. Call loans are not above 4 per cent. Real estate financing calls for a considerable volume of money in Chicago and the customary rate is 5 per cent. Bonds and stocks have moved a little less actively this week than previously.

The usual spring trade revival is about due and greater financial activity is looked for.

years until the silent procession of Tuesday night passed the point of where stood a church once occupied, it is said, as a riding school for British soldiers of the Revolution, passed the house in Nassau Street where Aaron Burr once lived and had his office, turning the corner near the old Dutch church in John Street and so to Broadway. It withstood all the panics of a century. It is said that the first banking interest acquired in this country by the father of J. P. Morgan was in the Phenix Bank. When the institution was changed from a state to a national bank upon the passage of the national banking act of 1864 J. Pierpont Morgan was one of the incorporators.

In the diary of Philip Hone, Mayor of New York, he records that on May 26, 1848, he dined with the directors of the Phenix Bank at the mansion of Moses H. Grinnell in Fourteenth Street, with Washington Irving as another guest. They had all the delicacies of the season, the diary says, and "wine such as Hebe ne'er poured out for the gods made every man wish his neck was a mile long."

The Chatham National is 61 years old. It

also passed unscathed through the panics of 1857 and 1873 and all that have taken place since. It was formed at a time when the people of New York still cared to perpetuate the memory of the great friend of the American colonies in the British Parliament during the Revolution. One of the directors pointed out as an evidence of its long prosperity that the bank's last dividend was numbered 161.

The capital of the Phoenix Bank was \$1,000,000, surplus \$725,000 and deposits \$11,000,000. The capital of the Chatham Bank was \$450,000, surplus \$1,060,000 and deposits \$10,000,000. The reasons given for the consolidation are the modern tendency toward combination and recognition of the fact that a large bank has a great advantage over a small one.



N. P. GATLING
Assistant Cashier Chatham-Phenix

W. O. Johnson

W. O. Johnson, who has just been appointed receiver of the Chicago & Milwaukee Electric Railway Company, is a man of wide experience in railroad matters and his connection with various financial enterprises for many years has well qualified him for the management of this property.

Mr. Johnson is now and has for some time been general counsel of the Chicago & Erie Railroad Company and is the representative of that company in all its western matters, serving it as one of the directors of the Chicago & Western Indiana Railroad Company. He also is president of the Security Life Insurance Company of America and is actively directing its affairs at its offices in the Rookery Building. He has been prominently identified as one of the moving spirits in the organization of coal and gas properties and the universal success that has come to all enterprises under his direction gives great promise for the future of the Chicago & Milwaukee Electric Railway.

This is not Mr. Johnson's first experience as receiver of a large property. The brilliant record which he made in the same capacity in handling the affairs of The American Strawboard Company, the United Box Board Company and of other companies, and the successful reorganization of the same accomplished with his co-operation may reasonably inspire the confidence that in his new position he will place the affairs of the Milwaukee Electric, both from a traffic and financial standpoint, in a position long hoped for by its stockholders.

OHIO BANKERS TO MEET

At a meeting at Columbus, Tuesday, of the council of administration of the Ohio Bankers Association it was decided to hold the convention this summer on July 6th and 7th at Cedar Point. This will be the only outing the association will have this year.



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

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FRED'K KASTEN, Vice-President	W. L. CHENEY, Asst. Cashier
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L. J. Petit	Frederick Kasten	R. W. Houghton	Oliver C. Fuller
Herman W. Falk	Geo. D. Van Dyke	Custave Pabst	Charles Schriber
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

OFFICERS

OLIVER C. FULLER, President	GARDNER P. STICKNEY, Vice-President
FRED. C. BEST, Secretary	R. L. SMITH, Assistant Secretary

DIRECTORS

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Herman W. Falk	Charles Schriber	Custave Pabst	Gardner P. Stickney
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MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

A considerable increase in clearings and in deposits marked the closing days of the month. There is a better demand reported for loans than for some time and manufacturers are preparing for an active spring trade. One of the officers of a leading iron manufacturer is authority for the statement that steel orders are coming in rapidly and that before many weeks all of the mills that have been shut down or working only half force will be running full time to keep up with the demand for their product.

Out-in-state the country banker reports good deposits with every evidence of a prosperous season. Bond salesmen say that the small banker will be a good buyer of securities during the next sixty days. Local bond sales are well up to the standard, the bulk of the trade being centered in the higher grade securities.

Believed Bankers will Win Point

Devoting their efforts to securing a postponement of the proposed guaranty law in lieu of attempting to definitely defeat the bill, the bankers of Wisconsin believe that they will succeed in having the legislature postpone definite action until the next session of the state legislature, two years hence.

This is in accordance with the wishes of the great majority of bankers throughout the state. Owing to the experiments being tried out in other states along similar lines it is thought that the only sensible course is not to hastily jump into legislation that is not an urgent need and to await the outcome of these experiments. Out of nearly 600 inquiries sent out from the

Wisconsin Bankers Association headquarters to the bankers of the state asking their opinion of the proposed law almost every reply received is emphatic either for absolute defeat of the measure or its postponement.

The March number of the Wisconsin Banker, the official organ for the state association, editorially says:

"Senator Owen, according to interviews credited to him in the press of the state has not entirely lost the optimism expressed earlier in the session as to the ultimate passage of the guaranty law, but in more than one interview he has been quoted as saying that 'I do not expect that the guaranty bill will be passed at this session, but I hope that the discussion aroused will prove profitable.'

"This is the sensible way to look at it. The time is not yet at hand when such a bill should be passed in this state although all things presage the guaranteeing of deposits in state banks in some form or other before many years have passed. Whether by insuring in some credited insurance company, whether by state laws and state control; whether by a state clearing house association similar to the plan proposed by Martin A. Graettinger; or by any other means which may be devised; there is no question but that this phase of the banking question must be met and that popular sentiment will force some such step."

First National Increases Directors

The number of directors of the First National Bank of Milwaukee was increased recently from fifteen to twenty-one and the capi-

tal stock was increased \$500,000, making a total of \$2,500,000.

The newly elected directors are: Charles Allis, Robert Camp, David C. Green, Howard Greene, Stuart H. Markham, George P. Mayer and Ludington Patton.

The directors who were re-elected are: Walter Alexander, John I. Beggs, William Bigelow, Nathan Glicksman, Fred T. Goll, A. K. Hamilton, H. August Luedke, George P. Miller, Robert Nunnemacher, William Woods Plankington, Charles F. Pfister, Albert O. Trostel, Edward A. Uhrig and Fred Vogel, Jr.

The increase in capital stock is to be paid in by May 10th. More than 17,000 out of 20,000 shares of stock were voted either in person or by proxy.

Passed Over Fifty Bad Checks

Between forty and fifty merchants and saloon keepers have been swindled during the last few days out of amounts varying from \$40 to \$56 each by means of forged checks. The discovery was made Monday afternoon of this week when checks similar to those issued as pay-checks by the J. I. Case Threshing Machine Company began coming into the banks. According to the story told by the victims to the police, the swindler would enter a store or saloon, make a few slight purchases and tender the forged check in payment, leaving with the change.

Most, if not all, the checks were passed Saturday night, which gave the swindler an opportunity to leave before discovery. The total amount secured is close to \$600. The for-



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F. X. BODDEN, Mgr. Bond Department	J. H. TWEEDY, Jr.
S. H. MARSHALL	GUSTAV REUSS
R. N. McMYNN	C. C. YAWKEY

ger is said to be about 5 feet 9 inches tall, weighs about 190 pounds, dark complexion and looks like a mechanic.

HEINZE WORTH \$3,470,000

Boston, February 28.—F. Augustus Heinze is worth \$3,470,000 to-day above all liabilities, according to the statement in the Supreme Court by his attorney, Walter I. Badger. The assertion was made during Mr. Badger's final argument in the Heinze's suit against a score of Boston brokers and money leaders whom he charges with conspiracy to defraud him of securities valued at \$300,000.

BANK CLEARINGS SMALLER

The total bank clearings for the United States for the week ending February 25, 1911 (one day estimated), were \$2,657,332,310, which compares with \$2,884,066,617 last week and \$2,755,616,467 for the week ending February 26, 1910.

Compared with last year, the total bank clearings have decreased 3.6 per cent. New York City reports a decrease of 2.8 per cent, Boston of 8.4 per cent and Chicago of 11.2 per cent, while Baltimore shows an increase of 9.7 per cent and St. Louis of 3.36 per cent.

NEW BANK LAW IN OKLAHOMA

Oklahoma City.—Governor Cruce has signed the statement banking bill. The principal difference between the new law and the old is that the banking board shall be made up of the governor and two appointees of the governor instead of the governor and four state officers. J. B. Lanford of Atoka was named as bank commissioner.

WILLIAM WOODWARD HERE

Vice-President William Woodward of Hanover National Bank New York, was a caller at Continental-Commercial, Wednesday.

MILWAUKEE IS CHEERFUL

Cashier Alfred G. Schultz of Germania National, Milwaukee, was a visitor at Fort Dearborn National, Wednesday. Mr. Schultz reports general trade almost up to normal in Milwaukee. Collections are good and merchants and manufacturers alike say that conditions are improving. Everybody is glad to have the rate decisions disposed of and nobody is hurt much, Mr. Schultz declares.

INDIANA BANKING NEWS

Under the plea that the United States government is in the banking business, managers of state banks and trust companies have agreed upon a bill in the legislature which provides for guaranteeing the deposits of all institutions whose capital stock is in excess of \$15,000. It has been agreed among them that one-twentieth of one per cent shall be put aside as a guaranty fund. This on the basis of capital invested will exceed \$100,000 a year.

Negotiations which will probably culminate in the consolidation of the two banks at Swayzee are now under way.

The Bank of Attica went out of existence Thursday, its notes and accounts being transferred to the Farmers and Merchants' State Bank. The bank was established ten years ago, and was owned and controlled by Jacob and Clem Osley.

Sentence was imposed with the understanding that Mr. Clarke will take immediate steps to annul a divorce recently obtained by him in Nevada.

We Have a Hydro-Electric

project which is almost far enough advanced to make it a "bankable" proposition. Just before we got it into that shape, my client who was the financial backer of the enterprise was obliged by ill health to quit all business. He directs me to sell all or part of the deal.

We have bought and paid for water right, good for 20,000 horse power, engineering work, etc. Have a U. S. Government franchise, reports, maps, etc. Have a fine and rapidly growing market for power for commercial and irrigation purposes.

It is a deal that will make from \$500,000 to \$1,000,000 profit, and is already past the stage where there is any risk. \$25,000 will carry it to a point where it will be "bankable." I want some capitalist to take the place of my client and carry it out, or, will sell the whole project as it stands.

Address

B-16, care of Chicago Banker

Dakota Thrift

While the state and national banks in South Dakota show combined individual deposits of \$74,750,547, at the call of January 7th, this is a reduction of practically \$6,000,000 from the showing made by the banks of the November call. Most of this comes out of the deposits subject to check, the falling off in that account in the state banks being more than four million dollars, and nearly two million in the national banks. While the checking deposits show a falling off, the deposits on time certificates, and the savings deposits in both the state and national banks show a slight gain, which indicates a growing inclination on the part of the people to get their spare cash into interest-bearing deposits.

PRIZES FOR ESSAYS

The Washington Bankers Association is offering a first and second prize of respectively \$15 and \$10 for the best essays on the subject, "A Central Bank as a Factor in a Financial Crisis." The contest is open to all bank clerks in the state under the following rules:

The essay to be typewritten on regular essay paper using but one side and to be not less than 1,500 words in length.

To be forwarded to P. C. Kauffman, secretary of the Washington Bankers Association, not later than May 1, 1911, and to be signed by a fictitious name.

The correct name as well as the fictitious name to be placed in a sealed envelope addressed to the Washington Bankers Association.

The successful essay to be retained by the association and printed in the report of the 1911 convention.

BANKING NOTES

The First National of Onida, S. D., has been organized with A. N. Ewart as president, J. H. Gropengiser as vice-president and J. E. Malory as cashier.

J. R. Mitchell, president of the Capital National, has been at Washington City. G. F. Orde, vice-president of the First National, Minneapolis, has decided to attend the A. B. A. council meeting, May 1st, 2d, 3d, at Nashville.

F. A. Argue has been elected president of the Bank of Hamilton, N. D., to succeed C. H. Johnson, resigned.



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St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, Mo., March 1.—Edwards Whitaker, president of the Boatmens Bank, thinks the season of increased activities and stiffer interest rates is about to break. Speaking of the monetary situation Mr. Whitaker said:

"January is always the time for paying up, while February is usually the month of marking time and looking around to size things up. Then in March, providing intrinsic conditions are favorable, business activities commence on a large scale. The present year, I believe, will typically carry out this ritual. We are already beginning to feel an increase in the commercial demand, and a slight tightening in rates. Intrinsic conditions are certainly good. This last snow, and the one preceding it, means millions to the farmers, in fact the season thus far seems to have been made to order for wheat. Confidence is gradually becoming stronger, and it is reasonable to look for a picking up in all lines. So far we have felt no demand for spring agricultural operations, but we have been notified by country correspondents that they will reduce balances, which just now are enormous. The meridian of deposits and low rates has been reached, and as the former fall off, the latter will advance. In the extremes the range for loans is from 4 to 5 per cent, though I notice the newspapers are not quoting them that high. The railroad decision was a disappointment, but at least it disposes of the matter, and sets a minimum which is not likely to be lowered. On this the roads can build, and adjust, with the ultimate result of satisfactorily working out their several problems. Things have not been so terribly bad with the railroads, even at their present tariffs. Economy may do what was expected in the increases asked. Yes, I am disposed to take an optimistic view of the situation at large."

Manchester Has New Building

The Manchester Bank of St. Louis opened for business in its new building, at Chouteau and Manchester avenues, on Monday. The occasion was observed by a sort of reception, which lasted all day, and the new banking rooms were a veritable bower of flowers, contributed by customers and other local banking institutions. This new home of the Manchester Bank is quite the most up-to-date thing owned by any small bank in the West. The building is constructed of Bedford stone, and is classic in its lines. Marble and bronze, artistically worked, are the predominating materials in the interior construction. In the basement is a modern safety deposit vault, with private rooms for patrons. There is a kitchen, for cooking meals for officers and em-

ployees. The building is two stories high, the upper floor being divided into offices, most of which have been let to physicians. The Manchester Bank is one of the most successful of the outlying banks of St. Louis. It was organized in 1902 with a capital stock of \$100,000, which was recently increased to \$250,000. Its resources amount to \$1,600,000. The officers are Gustav Bischoff, president; A. M. Beckers, vice-president and August E. Brooker, cashier. The board of directors consists of I. C. Muckermann, manager of the Polar Wave Ice and Fuel Company; August Bischoff, president of the Independent Packing Company; Louis A. Haase, president Empire Brewing Company; Alfred J. Siegel, secretary and treasurer of the Huttig Sash and Door Company; Bernard H. Stoltman, real estate; Alexander M. Beckers, capitalist and A. E. Brooker, cashier.

Manufacturers are Optimistic

Optimism was the prevailing motif at the annual banquet of the St. Louis Manufacturers Association, held this week. From the opening address of the retiring president, H. W. Peters, to the last talk of the evening, there was hardly a single note of pessimism. From the various speeches it could be gathered that the outlook from the manufacturers' viewpoint for the coming year is most helpful. Practically all the plants represented, and there were some 200 manufacturers present, are running full capacity, and goodly orders are booked ahead. St. Louis ranks as the fourth manufacturing city of the United States, the value of her manufactured products in 1910 being

\$325,000,000. The number of employees was upward of 125,000. The election, which followed the banquet, resulted in the selection of Isaac H. Sawyer for president; P. M. Hanson, first vice-president; C. F. Wencker, second vice-president; H. F. Hafner, third vice-president; Charles S. Brown, fourth vice-president and Walter B. Woodward, fifth vice-president.

New Equitable Surety Company

The new Equitable Surety Company will be the largest concern of the kind west of Baltimore and New York, and will have headquarters in St. Louis. Directors will be chosen in Chicago, San Francisco, New Orleans, Denver, Kansas City, St. Paul and other cities in this part of the country. The St. Louis board is the most representative of the kind that any company has ever been able to assemble. It includes W. K. Bixby, who is interested in numerous gigantic enterprises; Adolphus Busch, president of the Anheuser-Busch Brewing Association; D. K. Catlin, capitalists; S. C. Davis, capitalist; B. F. Edwards, president of the National Bank of Commerce; H. C. Haarstick, vice-president of the St. Louis-Union Trust Company; C. H. Huttig, president of the Third National; Edward Mallinckrodt, president of the Mallinckrodt Chemical Company; N. A. McMillan, president of the St. Louis Trust Company; E. C. Simmons, chairman of the Board of Simmons Hardware Company; James E. Smith, president; Rolla Wells, capitalist; Thomas H. West, president of the Board of the St. Louis-Union Trust Company; and Allen T. West of G. H. Walker & Company. The individual fortunes of the directors represent about \$200,000,000.

Bixby Heads Laclede Company

W. K. Bixby, director in the National Bank of Commerce, was elected president of the Laclede Gas Light Company at the annual election of that company on Monday. C. L. Holman, vice-president, was re-elected, as were the other incumbents. The Laclede company has been without a president since the resignation of John I. Beggs, several years ago.

Old Time Banker Passes On

Advices from El Paso, Texas, state that Henry L. Newman, one of the veteran financiers of the Mississippi Valley, had died in that city this week. Mr. Newman was 75 years old, and practically his entire business career was spent in banking enterprises. He established the National Stock Yards Bank in East St. Louis in 1874; the Joplin Missouri National in 1887; the First Bank in Salt Lake, and the First National of Leavenworth, Kansas.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The entertainment committee of the general committee of Kansas City bankers, which has to do with placing the delegates to the joint meeting of the Missouri and Kansas bankers' convention to be held in Kansas City May 24th and 25th, has, up to date, arranged to accommodate 2,100 delegates and in all probability this number will be largely augmented. The delegates will be distributed at the various hotels. The managers of the hotels were asked to send the committee the number of rooms that could be placed at the disposal of the committee and did so. Fortunately the convention comes at a time when there is generally a slackening of hotel business.

Officials in Contempt.

The supreme court of the United States last week found the mayor and certain members of the council of Clay Center, Kansas, in contempt for destroying the subject matter of litigation before it. The penalty was merely the costs of the suit which the municipal officers will have to pay. The contempt suit against Mayor Hanna of Clay Center and the members of the council was brought by the Merrimac River Savings Bank of New Hampshire which held a mortgage upon the property of the Williamson Electric Light Company of Clay Center. The electric plant had a franchise and in a quarrel with the city Mayor Hanna and the others interested ordered certain city employees to destroy the poles and other property of the plant.

New Banking Homes.

The Ardmore National Bank of Ardmore, Okla., one of the oldest banks in the state and with which Governor Cruce was connected in the capacity of president and manager, is to have a new home. G. W. Stewart, president, and P. D. Maxwell, cashier, have let contracts that will make the new bank building one of the handsomest in the West. The improvements will be finished about the middle of the summer.

The Missouri Savings Bank of Kansas City

which is building a splendid banking home at 920 Walnut Street, expects to move from its present quarters in the Scarritt building about the middle of April. The new bank is a cut granite and marble structure three stories in height and will be occupied exclusively by the Missouri Savings Bank.

Prosecuting Fakes

Kansas State Bank Commissioner J. N. Dolley, returned last week from Cleveland, where he appeared as a witness before the federal grand jury to testify as to his knowledge of the operations of fake stock promoters in Kansas and the Central West. Mr. Dolley has been conducting investigations for the protection of Kansas against this class of stock salesmen and he is regarded as something of an authority on the subject. He has maintained that western people are being robbed of millions of dollars a year through the purchase of bogus stock and he has established a bureau in his department to keep track of these operations. It was he who formulated and is helping to secure the passage of the new and stringent law in Kansas providing for registration of all stocks to be sold in Kansas and for statements of all details of stock business to be filed with the Kansas bank commissioner.

"The government has an army of detectives over the country," said Mr. Dolley, "that is looking into the fake stock speculation schemes, and some of the things these detectives have unearthed are surprising even to me. One detective chief told me he was satisfied that the people of the United States are being defrauded of two hundred million dollars a year in this manner. After my experience with the fakers in Kansas I am ready to believe him. On the stand I told what I knew of the work of these grafters in Kansas. I told of the workings of my investment bureau. Everybody connected with the hearing had heard of it through the newspapers and magazines and many questions were asked. I showed them a copy of the proposed Kansas law and it was generally approved by the attorneys who at-

tended the hearing and who examined it. After the hearing and the talk before the jury I am satisfied that Kansas is on the right track; that we need such a law and that it will be only a matter of a short time until all other states will have it. Even the federal government is working out a plan along similar lines."

"Smiling Through Its Tears"

"The Central West is smiling through its tears," is the way President J. R. Dominick, of the Traders' National Bank of Kansas City, sums up the situation. "We must admit," he continued, "that the situation was far from encouraging until the recent general and generous rains. But these rains and the accompanying snow storms have put the agricultural districts in ideal shape and there need be no longer any anxiety about the crops. At the present time there is something of a lull in banking operations due to the general inactivity of business. But the good feeling which has been awakened by the rains breaking the long drought is manifested on all sides. It will be only a few weeks now until the farmers will begin moving cattle up from the South and then there will be a better demand for money."

Banking Outlook Good

Charles H. Moore, vice-president of the National Bank of Commerce, of Kansas City, is enthusiastic over the banking outlook in the Central West. "The banks still have plenty of money" he observed to a representative of THE CHICAGO BANKER, "and rates are easy. Our reports indicate that there has been a tremendous revival of business interest in this territory due to the good weather conditions, but I saw no special grounds for anxiety. I remember similar droughts that lasted longer and then wheat crops were produced. However, I join with everybody else in rejoicing that the strain has been relieved. Our deposits have been growing steadily and I consider banking conditions hereabouts as very good indeed."

Bonds for \$62,000 for the aid of the Southwestern Kansas and Colorado railroad were

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DAVID H. G. PENNY, Asst. Cash.
RICHARD J. FAUST, Jr., Asst. Cash.
J. FRANKLYN BOUKER, Asst. Cash.

West Broadway and Chambers Street, New York

voted by Comanche county, Kan., last week. Local bankers, farmers and cattlemen of western Kansas are largely interested in the new road.

Drop in Bank Clearings

Most of the cities of the Central West suffered a slump in bank clearings for the week ending February 24th. For the first time in many months the Kansas City clearings were below Pittsburgh which put the latter city in the coveted sixth place. The report gave Kansas City \$39,256,000, a decrease of 9.4 per cent from the previous week. Kansas City bankers say that a slackening up of business with an absence of big deals caused the decrease. Omaha with \$11,402,000 also came below normal, the decrease being 20.6 per cent. Oklahoma City and St. Joseph, Mo. also lost, the decrease being 12.2 per cent and 14.5 per cent respectively. Wichita and Topeka showed slight gains.

Safety of Investments

Several days ago Governor Cruce of Oklahoma was asked by a representative of an eastern financial institution to state his attitude toward the investment of foreign capital in the new state. For answer Governor Cruce referred the inquirer to this paragraph from his own inaugural address:

"As long as I am governor of Oklahoma your investments in this state, if they are honest investments, and made in observance of our laws, will be as sacredly observed and safeguarded here as anywhere on the face of the earth. Capital and labor should be friends. Both are sorely needed in the future development of the state, and neither shall unduly harass the other if I can prevent it. More railroads with better equipment, more factories with better appliances, greater development of vast mineral resources, with greater safety to employees; more employment of labor with better wages; an educational system meeting the needs of an advanced citizenship; continued development of the agricultural interests, giving greater comfort and happiness to the farmers of the state, will be the slogan for Oklahoma during the next four years."

Southwestern Notes

The announcement is made that within thirty days the Continental Trust Company of Oklahoma City, Okla., will be ready for business with a capital of \$250,000. A. M. Young will be president and E. B. Cockrell, state bank

commissioner, and I. B. Levy will be vice-presidents.

S. A. Frazier, for twenty years cashier of the First National Bank of Atchison, Kan., has resigned and will devote his time to interests in California. He will be succeeded by Charles Linley of the Exchange State Bank, who began his business career as office boy in the First National Bank twenty-six years ago.

Henry L. Newman, aged 75 years, who established the National Stock Yards Bank of East St. Louis in 1874, the Joplin, Mo., National Bank in 1887 and later the First National Bank of Salt Lake and the First National Bank of Leavenworth, Kan., died in El Paso, Texas, February 23d. During the years of his active banking career Mr. Newman was doubtless the best known banker in the Central West.

William Huttig, president of the National Bank of the Republic, has returned from a sojourn of several months in Cuba.

George B. Harrison, treasurer of the Glasgow, Mo., Savings Bank, spent part of last week as the guest of his son, George B. Harri-

son, Jr. vice-president of the New England National Bank of Kansas City.

One of the oddest uses to which a bank vault has been put to was when the town authorities of Weleetka, Okla., placed a quantity of whiskey in the strong box of the local bank to be used as evidence in the prosecution of bootleggers. So much of this sort of evidence had been stolen from the office of the justice of the peace that the officers decided to take no more chances.

The farmers in the vicinity of Heizer, a small town not far from Scott City, Kan., are decidedly prosperous. They met to organize a bank at Heizer with a capital stock of \$10,000 but this stock was taken up so suddenly that it was decided to increase the stock to \$15,000.

A new bank is to be started at Delaware, Okla. It is said that P. S. Powell, of the First National Bank of Nowata, is to be heavily interested in the new institution.

Charged with "depriving citizens of their elective franchise" in connection with the general election last fall, John A. Kidd, cashier of the Bank of Lenapah, Okla., was arrested on a federal indictment. He gave bond.

Frank A. Vanderlip, president of the National City Bank of New York, was in Kansas City two days last week, a guest of local bankers. He was met at the train by E. F. Swinney, president of the First National Bank of Kansas City. Mr. Vanderlip said that he was merely on a tour of inspection and will visit several cities in Texas before returning to New York.

As a result of a bitter townsite war that has been raging for two years in Western Oklahoma, A. L. Perry, president of the Duke State Bank of Duke, Okla., was arrested last week charged with being an accessory to the burning of the buildings in a rival town.

George B. Harrison, Jr., vice-president of the New England National Bank of Kansas City has returned from Fort Worth, Tex., where he attended a group meeting of the Texas Bankers Association.

The "legal check" bill of the Oklahoma legislature makes it illegal for one to overdraw his bank account. The bill has been recommended by the house committee but it is so strongly opposed that there is little probability that it will become a law.

CALIFORNIA

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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

FINGER PRINT IDENTITY

(Havana Correspondence.)

At the weekly meeting of Cuba Chapter of the American Institute of Banking, held at the National Bank of Cuba Building, on Wednesday the 15th of February, the order of business included a lecture in Spanish by one of the members, A. N. Ruz Sauvalle, on the subject of "Finger Prints" as a means of identifying those depositors who are incapable of writing their signatures.

Mr. Sauvalle, who is at the head of the Saving Department of the National Bank of Cuba, remarked that among the thousands of accounts under his supervision, he has found hundreds corresponding to persons who must be identified by some means other than the usual signature and scroll common to Latin countries. The dependence upon photographs as a method of identification, especially in disputed cases, has long since proved inadequate, owing to the deterioration of likenesses, changes in features of individuals, and the facility of imposition by persons bearing a resemblance to a given depositor.

A knowledge of the subject of finger impressions as adopted in the leading cities of the United States, Europe and elsewhere, became necessary, and Mr. Sauvalle begun a systematic study of these methods, as suited to the needs of a banking institution.

Among the countries where the finger print system has been most highly developed under government direction, British India was shown to stand conspicuous, owing to its large proportion of illiterate inhabitants and the disposition to false personation among them. It has been found expedient by the authorities of that country, to require parties to be identified by their finger marks in such matters as the registration of real property, the execution of contracts, and various other legal and government transactions too numerous to mention.

Finger prints as a means of formal identification, while a matter of comparatively recent introductions in modern communities, seem to be traceable to the year 1823, when Professor Purkenje read before the University of Breslau a Latin thesis on finger impressions, in which were given nine standard types, classified in a simple and practicable manner, but his labors failed to attract the attention they merited.

The subject was later taken up by Sir William Herschel, of the British India Civil Service, but his labors also were unfruitful, except in so far as they laid the foundations for the work of subsequent authorities. The author whose system Sr. Sauvalle finds adaptable for use in banks is Mr. E. R. Henry, Police Commissioner of London, whose method of indexing and classifying has been introduced in the National Bank of Cuba.

That the pattern of a human hand remains the same through life, no two specimens being alike, is an interesting fact with which we are more or less familiar, but the ready identification of a party by a system of indexing finger prints, is a matter of deserving practical attention by those of the banking fraternity who live in communities where the ordinary means of identification is not always obtainable.

At the close of the lecture, Sr. Sauvalle demonstrated the facility of identification, by having several of the class members register

their prints, and summing up the characteristics from a duplicate set of the marks which were then given him, both of which were found to coincide, making the identification complete.

It affords us satisfaction to note that the influence of the Institute of Organization is extending to practical subjects like the above, and that to Cuba Chapter belongs the credit of having enabled depositors in Cuba who from any cause are unable to write, to keep their funds in the institution which has adopted the finger print system of identification.

W. H. MORALES.

CHICAGO CHAPTER

On February 16th the Chicago Chapter gave the last of a series of dances at the West End Woman's Club. About a hundred couples were present.

The class in commercial and banking law completed the first round of the course with an examination on contracts, agency and bailments. About sixty-six members of the class successfully competed in the test.

Lectures of property, insurance, bankruptcy and negotiable instruments will be given by James I. Ennis, LL. D. on Tuesdays and Fridays of each week to complete the course. The final examination will no doubt be given sometime in March.

The finance and banking class will hold its first meeting on the 14th of the month at 6 o'clock. Professor Howard of the Northwestern School of Commerce has been procured to conduct the class. On the same date, commencing at 8 o'clock, Prof. J. Paul Goode will deliver his lecture on "The Age of Steel." Messrs. Tesmer and Grier of the Merchants Loan and Trust Company will furnish the music for the evening.

At the last meeting of the Debating Club, the following were elected officers for the current quarter: J. H. Ashley, president; R. M. Coleman, vice-president and John Drummond, secretary.

The preliminary contest for a debate before the chapter at large was held and the following won places on the team: J. H. Ashley, Louis Rich and R. M. Coleman, affirmative; J. J. Schroeder, W. W. Todd and A. J. Kuhn, negative. The subject of the debate will be "Should Senators be Elected by Popular Vote."

Charles A. Peterson, Chairman P. C.

FOUR NEW TEXAS BANKS

At a meeting of the Texas State Banking Board Tuesday the following state banks were granted charters to do business in Texas: Guaranty State Bank of Palestine, capital stock \$100,000; First State Bank of Conroe, capital \$10,000; Jasper State Bank, capital \$15,000; Guaranty State Bank of Queen City, capital \$15,000.

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Successors to First National Bank
JACKSONVILLE, ILL.
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DALLAS CHAPTER

Here comes Dallas Chapter, which in chapter talk is synonymous to saying Texas, as we are the Pathfinder in this state! Maybe we are a little bit behind the excitement of the race, but running strong for a one-cylinder hill-climber—to be more exact one year and a couple of months is our calibre. Pleased to meet you!!

Formalities all over, patient reader, let us push aside the demi tasse and rest our cigar awhile and get to business. We do not bring anything new to "spring" on the habitual reader of the Chapter Record, if such there be; and if we had, we should fear with a burned child's fear the fate of our Numerical System of Transit Work as explained in Chicago and promptly taken over. True it is that the humble, modest inventor never gets the blame, but the man who advertises. Therefore Dallas is going to get into the swim also. At last we have worked up to a full-fledged fact in this juggling of words, and ask the lady in the hobble skirt to open her note book—"Partner, Texas originated the Numerical System"—we challenge all comers.

Dallas was favored with a meeting of the Fifth District of the American Bankers Association on February 11th, and many of our interior bank friends were with us.

George E. Allen, Educational Director of the A. I. B., visited Dallas Chapter and addressed 140 bank men, including officers of all the local institutions, at a dinner at the Oriental Hotel. We sum up the address colloquially and laconically: "Hold what you got." We haven't fenced our claim yet, because we have not limited it, but we are going to start, with our fifteen lectures in the "Commercial Law Course" as working capital, on the Finance & Banking Course, and 75 men pulling together can move many things, as we intend to prove.

We are going to have some new neighbors: S. P. Berry, Cashier of the State National Bank, Ft. Worth, Texas, has scheduled March 3d as the "Get Away Day" for Ft. Worth Chapter, and Dallas Chapter is going to attend the event. Houston and San Antonio are expected to enter, and Mr. Allen visited those cities to do the good deed.

We have great possibilities and room for development and everything else in this big, grand state of ours, and as long as your time is at our disposal, we are going to let you hear about us through our mutual friend.

G. L. HERN.

FIRST NATIONAL 25 YEARS OLD.

The famous First National of Kansas City celebrated its twenty-fifth anniversary on March 1st, by sending out its "best wishes" to the friends and patrons who helped Mr. Swinney make it the big institution that it is.

CRANE COMPANY EXPANDING

A Crane Company official says: "We have recently completed, at several millions cost, the largest malleable iron works in the world, and a brass foundry at Twelfth and Canal streets. We are building new steel and concrete branch stores in every section of the United States."

Editorial Comment

Convention Dates 1911

SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

TENNESSEE—Nashville, May 30 and 31; Secretary, F. M. Mayfield, Nashville.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

THERE IS A DIFFERENCE

All banking newspapers are not trade or class papers, some of them being distinctly educational. It has been the endeavor of this publication to keep up its academical features which made it so successful as a monthly magazine. Readers of discretion promptly discovered the difference between a publication which takes a position of its own upon the more important questions and one which simply republishes what it supposes to be the accepted traditions and truisms of the craft. We have hundreds of bankers in Chicago who scarcely allow a pause between cutting open the wrapper and tossing into the waste basket a class paper even though it call itself a banking publication, which merely is a re chauffé of the daily papers. There are financial and banking papers claiming very wide distribution and pluming themselves greatly upon their age, which serve up merely the dribble and gossip which they collect from the clipping and press bureaus of the country. It might well be a question whether or not an advertisement carried in such a publication is a good investment. Such a paper merely becomes a house organ of the trade and has but little more influence than a house organ which relates purely to the business of one bank or industry.

Opposed to this is the educational publication, which is an authoritative medium for the transmission of information that its banking and financial patrons look forward to as a re-

The Chicago Banker

PUBLISHED EVERY SATURDAY FROM

406-7-8-9 Monadnock Block, Chicago

SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

flex of conditions affecting their business. Such a paper contains original interviews with leading men and its news letters are prepared by actual correspondents regularly employed and occupying a position of prominence in their own locality. Class papers of the educational type are obliged to be more conservative than those which reprint the gossip of the dailies. The educational type of paper rarely deals with rumors of bank consolidations, liquidations, or prospective promotions of individuals. Nothing quite so tiresome comes into the life of a busy banker as a paper dealing in trifles and particularly when the trifles are based upon idle talk. It will require no great exercise of memory to recall hundreds of instances justifying the above conclusions. They are of weekly occurrence. It is better—very much better—to delay making a statement than to give publicity to a tale which may prove to be entirely false. At times these rumors have a mercenary motive. This is seldom. There is a pressing and constant demand in the banking room for accurate information. Bankers are interested and give willing support to the truly educational publication, partly because of the scarcity of that article. They have no time for the mediums which deal in “trade vapor” and their representatives are finding it increasingly more difficult to market their space at remunerative rates.

Papers of the educational type are not importuned for flattering notices in exchange for commercial favors. There is a class of paper which largely gets its support by rendering to some selfish individual an otherwise unearned service. The ear marks of this sort of a “dicker” are so plain that they can be distinguished at an arm’s length. No closer inspection is required. The educational medium has a policy and a work to perform and those entitled to recognition can point to things accomplished for the good of their patrons. An encouraging sign of the times is the fact that bankers are beginning to discriminate.

South St. Paul will make application to the board of investment to take bonds on a 4 per cent interest basis. The state fund for this purpose is large. The city has \$82,000 bridge bonds coming due, and the money market does not allow for refunding them at a rate not less than 4½ per cent.

AFTER THE LOAN SHARKS

Not less than three bills are entering passage at Springfield to put an end to the shark abuses in Illinois. Attempts in this direction have been frequent but the daring vigilance of the sharks and the weakness of the laws as enacted made the efforts futile. The representatives of the Industrial Club, the Legal Aid Society, the Commercial Club, the City Club, and the Association of Commerce have studied the situation carefully and have worked out plans which they consider both legal and practical. They are embodied in the bills just introduced. The sharks loan on security which no bank can take and in Illinois the sharkiest kind of a shark can hold himself out to the public as a trust company, a savings bank, a banker or by any other alluring and deceptive title. The present bills should be so amended as to forbid the use of any banking or corporate title by such concerns.

Pawn-shops of the lowest type masquerade as “banks” and thus deceive the unwary. Under the new plan a substitute for the “shark” is to be provided. One of the new bills provides for the organization of chattel mortgage societies, regulates the nature of the security, and limits the charges. A few such societies, supplied with adequate capital would give instant relief and would save many from the clutches of the loan sharks. Two other bills fixing the fees for acknowledging and recording chattel mortgages complete the scheme for the alleviation of the evil. The general assembly should not be discouraged by the failure of earlier legislation on this subject. Able lawyers and capable business men have co-operated in the framing of bills which, if made laws, will help the wage earners of Illinois who have to borrow. A chief requisite is that the usurers be prevented from deceiving the public by the use of banking and corporate titles.

CURRENCY REFORM SENTIMENT

It is in every way creditable to the bankers of this country that they are giving much time and serious attention to the development of an improved currency system. Bankers are in a position to understand the defects of the present monetary scheme. It is their business to study financial conditions and in the nature of things they are better able than any other class to point out what the country needs in the way of currency legislation.

What the country needs is what the bankers need. The day has passed when financial men can be looked on as a monopolistic or selfish class whose interests are inimical to those of the public at large. The modern bank is closely allied to all legitimate commercial concerns. Its welfare rests on the progress and prosperity of the nation. None but demagogues have any other views.

Intimations are heard at Washington that some of the wise men in congress wish the

Service

¶ A particular phase of our service is the fact that we have each Department under the direct supervision of an officer. We believe in specialization for the best results.

Collection Department

- ¶ This Department, under the supervision of an officer, consists of a manager, five clerks and fifteen messengers.
- ¶ Having the largest list of correspondents of any bank in the Northwest gives us exceptional facilities for handling out-of-town collections.
- ¶ Special attention given to Minneapolis grain drafts received from correspondents. These are collected and checks given in payment are put through the Clearing House the same day items are received.
- ¶ All matters entrusted to our care are handled as directly and expeditiously as possible.

THE NORTHWESTERN NATIONAL BANK

Minneapolis, Minnesota

The Bank of Security and Service.

THE MINNESOTA LOAN & TRUST CO. IS AFFILIATED WITH THIS BANK

Combined Capital, Surplus and Profits, \$6,500,000

Combined Resources, \$32,600,000

Our list of High Grade Bonds for Investment will be forwarded upon application

bankers to keep their hands off the proposed currency legislation. It is said that the recent conference of financial men, at which the Aldrich plan was endorsed, is viewed with resentment in certain quarters.

Of course congress always contains a smattering of blatherskites who feel competent to legislate on every subject beneath the sun. These fellows shine particularly on the great economic problems which they think they can settle in an off-hand manner, and they profess to see all kinds of dangerous schemes and conspiracies if business men venture to offer advice. Other nations are glad to get the help of experienced financiers and successful business men in shaping legislation, but in the American congress there are always to be found men who oppose that kind of assistance. Not only the monetary commission but congress itself ought to welcome the views and help of successful bankers.

All men of sense are hoping to secure an elastic currency to meet the needs of trade expansion and to present stringency in crop-moving periods. Furthermore they desire a central reserve power which can maintain confidence in periods of agitation and prevent panics by a judicious output of money in accordance with the requirements of business. This matter is above partisan politics, for all parties agree that it is a vital necessity. It should have the best thought of the country, both in and out of congress, and none but dangerous demagogues will attempt monetary legislation in other spirit or on any other line.

OPPOSED TO RECIPROCITY

Farmers all over the North are opposing with great vigor the reciprocity agreement with Canada. The administration has advanced its best arguments and cited Blaine and McKinley in behalf of the proposal, but the farmers continue to pour in their protests against ratification. A Grange official writes to Secretary Wilson in this vein:

"Do you know that the steel trust sold last year in Canada more than 100,000,000 pounds of wire, and that we bought no wire from Canada? Do you not know that this barbed wire provision is an attempt to fool the farmers by a transparent trick? Do you not know that Canada produces practically no wire, and that with the duty on Canadian wire abolished we would not import one pound?"

"You refer to the advantages to our great milling interests of the free admission of Canadian wheat. How will this help the farmers? How will it help the consumers of our towns and cities? Wheat is on the free list but flour is to be taxed 50 cents a barrel. Cattle, hogs and sheep are to be free, but meat, both fresh and cured, is to be taxed 1¼ cents a pound. Is this an honest measure in the interest of the consumer? Is this your idea of a fair and just reciprocity measure?"

DIFFICULTY OVER RESERVES

D. R. Forgan of Chicago and F. A. Vanderlip, of New York, speaking before the Commercial club last week, asserted that the national banks of the United States cannot strictly conform to the present national banking law

in the matter of legal requirements for their reserves.

The only place where national banks can deposit their secondary reserves with certainty of being able to withdraw them at any time, they stated is in Wall Street banks, where such reserves are used for carrying speculative securities to the detriment of local commercial business.

These criticisms of the present monetary system of the United States were made at a banquet of the club in the Blackstone hotel in advocating the principles of reform of the monetary system recently presented by Senator Aldrich.

"The national banks do not and cannot keep the letter of the law," declared Mr. Forgan. "The law provides that the banks must maintain a reserve of 15 per cent. But in times of stress this reserve may fall 1 or 2 per cent below the legal requirement. If the banks maintained the letter of the law they would have to cease business when their reserves became impaired.

"If a customer came in at such a time they would have to say, 'We cannot do business with you, because our reserve is a bit low.' and if they told this to half a dozen customers they would have to close their doors next day. But that our banks are sound is shown from the fact that in Illinois only ten national banks have failed in thirty-one years. Of these eight paid depositors in full, and the other two only made a loss of \$13,000 for both."

Charles Nason, who for the past two years has acted as assistant cashier in the Montello State Bank, and later accepted a position as bookkeeper in the First National Bank at Stevens Point, has been promoted to the position of assistant cashier of that institution.

We solicit accounts of banks and bankers and offer them our complete facilities for the handling of their out-of-town items



Capital
\$2,000,000
—
Surplus
\$2,000,000
—
Deposits
\$33,000,000

C. H. HUTTIG, President

W. B. WELLS, Vice-Pres.

G. W. GALBREATH, Cash.

J. R. COOKE, Asst. Cash.

D'A. P. COOKE, Asst. Cash.

R. S. HAWES, Asst. Cash.

H. HALL, Asst. Cash.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

Favor Concrete

San Antonio, Texas, February 28.—No one item in construction material is playing such an important part in all branches of material development in Texas as concrete. This city has a number of buildings, some of them tall enough to change the skyline, built entirely of re-enforced concrete and the use of this material is broadening constantly. Bridges over streams in cities and in the country are being built of re-enforced concrete and along lines which old time engineers said were impossible and impracticable.

In addition to buildings and bridges this material is used for dams across streams and in the construction of irrigation pools, grain elevators, bins, manufacturing plants, cotton gins and a number of railroads are experimenting with ties composed largely of cement. At Corpus Christi and Aransas Pass where the government is expending large sums in deepening harbors, concrete is used for jetties and the miles of retaining walls at Galveston which stand as a protection of that city from the vagaries of the sea are built of the same material. Fortunately for Texas, some of the best known stone in the world for the manufacture of high grade Portland cement is found in many parts of the state.

At no time in the history of improvements in Texas has the construction of permanent buildings been so general in all parts of the southwest section of the state as at present. In many cities and localities residence and public building construction is very active. At Corpus Christi Col. John P. Dickinson is planning a hotel to contain several hundred rooms which will be completed in the next few months. At Gonzales the Catholic congregation is just completing a new church built along modern lines. At New Braunfels plans are on foot for the erection of a hotel, fireproof in every detail, to cost \$100,000. At Georgetown the city council has let a contract for a power house for electric light and water plant to cost \$45,000, the same to be completed by June 1st. At Pecos an unusual building era is on; the school board is preparing to build a \$25,000 high school building, the county commissioners will erect a \$15,000 jail; the Texas & Pacific depot which will be built this year, funds having been appropriated for the purpose, will cost \$30,000; a new mercantile building, \$5,000; new Methodist

church \$20,000; sidewalk and street improvements \$15,000. Near Cotulla in the Nueces valley the Holland-Texas Company is completing a dam for irrigation purposes that will impound sufficient storm water to irrigate 2,000 acres of as fertile land as there is in the world. This will be one of the largest irrigation projects in that valley when completed.

PUGET SOUND DIVIDEND

New York, February 28.—In view of the Interstate Commerce Commission's rate decision and the recent complaints that railroads have been making about inability to make both ends meet unless they were allowed to raise their freight rates, Wall Street was much interested in the announcement that the Chicago, Milwaukee & Puget Sound Railway Co., a subsidiary of the Chicago, Milwaukee & St. Paul Railway, has declared an initial dividend of 2 per cent. This announcement occasioned more than ordinary comment because it follows the action taken by other leading railroads of the country in either resuming or declaring increased dividends. Two recent cases in point are the Lehigh Valley, which raised its annual rate from 4 to 6 per cent, and the Southern Railway, which resumed dividends payment on the preferred by declaring 1 per cent, after a suspension since 1907.

The Chicago, Milwaukee & St. Paul holds \$100,000,000 stock of its Puget Sound subsidi-

Arkansas Bankers

Much to the surprise of the Arkansas banking fraternity at large, the executive council of the Arkansas Bankers Association, at its recent meeting, selected Little Rock for the 1911 convention, which will be on April 6th and 7th. Eureka Springs had been previously selected for the gathering this year, and the change has caused considerable comment, especially at Eureka Springs. Members of the council give no explanation other than that they believe it to be to the best interest of the organization to meet at the State Capital, rather than elsewhere. Every member of the council was present at the meeting, which is a unique incident in late years. It is understood that Eureka Springs wanted to postpone the meeting till late in the season, as the little resort is most attractive then, while there are very important matters pending with the bankers, which could not very well be deferred. One of these is the Denton-Turner banking bill, which the association is anxious to have passed. The meeting at Little Rock, it is believed, will help to get this measure through the legislature.

ary, so that the dividend just declared means an addition of \$2,000,000 to the income of the parent company this year.

TEXAS YEGGS SUCCESSFUL

The First State Bank of Barry, Texas, was robbed last week, and the robbers got clear with about \$5,000 in money. The robbery had some features. In the first place the gentlemen of the jimmy could not effect an entrance by door or window, so they blew out one entire wall of the bank building, and walked in over the crumbled debris. The safe offered some reasonable resistance, so that three charges were required to open it. This made four mighty blasts, which were heard over the town, but no one investigated until the dawn of the next morning. Having completed their business at the First State Bank the yeggs walked around to the livery stable where they harnessed up a team to a light buggy and in this drove out of Barry. The team and buggy have been recovered.

C. T. Jaffray, vice-president of the First National of Minneapolis, has gone South for a short stay.

Real Estate Security Is The Best

IMPROVED farms in favorable locations are the best real estate securities. Investors in bonds cannot find a better opportunity to obtain satisfactory returns, coupled with ample security, than our 7% twenty year bonds—while our stock is none the less safe and pays better dividends. The Company is a going concern and will pay 25% on stock this fiscal year. Demand for our products always greater than supply and will continue to remain so. This means high prices, with ready market. An investigation will demonstrate and verify above statements. For further particulars, address

WILLIAM A. MONTGOMERY

Fiscal Agent

Suite 505-507 Unity Bldg.

CHICAGO

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,700,000

Deposits over - - - 22,500,000

OFFICERS

L. A. GODDARD, President	FRANK I. PACKARD, Asst. Cashier
JOHN R. LINDGREN, Vice-President	C. EDWARD CARLSON, Asst. Cashier
HENRY A. HAUGAN, Vice-President	SAMUEL E. KNECHT, Secretary
HENRY S. HENSCHEN, Cashier	WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,430,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President	
Henry B. Bartow, Cashier	John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier	

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930



IN CINCINNATI

With Resources of **TWENTY-ONE MILLION DOLLARS**

And every facility for the satisfactory handling of Bank Accounts
CORRESPONDENCE INVITED



Oklahoma Clash

One of the bitterest fights of the present session in the Oklahoma legislature has centered about the efforts of the governor to secure a state banking board of his appointing. When the proposal was broached in the senate there were strong hopes that the administrative wishes would be respected. But the house of representatives has voted vigorously against the governor's wishes and it has now under consideration a committee report that opposes the governor at every point.

Although no new law has been enacted in Oklahoma forming a state board of banking, the house of representatives has practically agreed upon the committee report which contains this section:

"A state banking board is hereby created, to be composed of the governor, lieutenant-governor, president of the state board of agriculture, secretary of state and state auditor. The bank commissioner shall be ex officio secretary of the board. Said board shall have the supervision and management of the depositors' guaranty fund hereinafter provided for, and shall have power to adopt all suitable rules and regulations not inconsistent with law for the management and regulation of the same."

It is hardly probable that the senate will consent to this departure from administrative wishes. The Oklahoma Bankers Association was practically promised that it would have representation on the state board of banking, but under the recommended bill it is not certain that the board will always have a banker in its membership.

ROBBERS LOOT ILLINOIS BANK

Sterling, Ill., March 1.—Robbers entered a bank at Walnut, Ill., last night and after breaking open the safe escaped with between \$2,000 and \$4,000. Sheriffs Wahl of Whiteside county, Reid of Lee county and Buyers of Bureau county took up the trail of the robbers. The men, however, are either out of the state or in hiding along the Green river. It is the opin-

ion now that, after eluding a posse last night, they made their way to the Peoria branch of the Chicago & Northwestern railroad, and either reached Peoria or Chicago.

The four bandits are described as being well dressed and well built. Each of the four men, when seen last, was carrying packages, and it is the belief that they had with them the \$3,700 they secured from the bank. Bloodhounds are expected to take up the trail. A reward of \$800 has been offered for their capture.

NEW NORTHWESTERN "FEEDER."

The Chicago and Northwestern will build a feeder line from Peoria, 100 miles into Illinois coal fields. The new line will be named St. Louis, Peoria and Western.

TO BUY BANKS

A Chicago Banker is now organizing a large corporation for the purpose of purchasing assets of Banks in liquidation. Also for liquidating going Banks (a growing and highly remunerative feature). Official position to right party prepared to make substantial investment. Absolutely removed from risk or speculation. Desirable associates.

LUTELLUS SMITH & CO.

Investment Bankers

616 Royal Ins. Bldg.

CHICAGO

Here is Optimism

General business conditions in the Central West continue in a measure unsatisfactory, although no alarm whatever is manifested by bankers who are in close touch with the situation. Charles H. Moore, vice-president of the National Bank of Commerce, Kansas City, is well posted on business and banking matters in this territory, and he is a thorough optimist. To a representative of THE CHICAGO BANKER he said:

"It is only natural that there should be some slackening of things at this season of the year. Stocks of all kinds have run down and this applies to the farm as well as to the store. Farmers are only now beginning to buy feeding stock from the South. Rates are about the same as they have been since the first of the year. We are feeling no uneasiness whatever from the somewhat discouraging reports that come from the East. I am confident that the wheat crop of this territory will be good and there is no reason to become anxious at the outlook. Our deposits have grown steadily since the first of the year and the demand for money I consider normal. The Central West is in fine shape so far as I can see."

Bird S. McGarvey, secretary of the Pioneer Trust Company of Kansas City, said:

"There is not the least cause for worry over the apparent slump in business. Of course a trust company does not do the big business with country banks that the larger reserve banks do, but our own customers are doing well and are unusually cheerful. The merchants are borrowing money only to discount their bills and I hear no complaint that merchants need money to carry over old stocks. The farmers are in splendid shape and all crops are now promising. The present so-called lull is not much of a lull after all. The only complaint that I hear is an occasional man who complains that his business is not quite as much better than last year as he had expected."

MARCH "LIPPINCOTT'S."

In the March "Lippincott's" the complete novel is "The Little Brown Shoe," by Ella Middleton Tybout, a delightful love story with a most baffling and elusive mystery which defies solution by the reader who is kept in suspense by the author until those unexpected developments are brought to light which are quite essential to the thoroughly satisfactory conclusion. Other features of the magazines are five short stories, all of them good, an essay on "Should the Gifted Marry?" and some short poems. The department entitled "Ways of the Hour," contains four excellent discussions on current topics, the most vitally interesting being "The United States Supreme Court" by Willard French, and is followed by many choice bits of humor in "Walnuts and Wine."

LESS LAND SPECULATION

Ralph Van Vechten of the Continental and Commercial National, says in regard to the prospects of speculation in farm lands:

"With a few exceptions the opinions of bankers and business men in the West and Middle West agree that land transactions this spring will be about 25 to 30 per cent of the volume last year and considerably under normal. All reports received by us agree that there is no speculation in land at this time, so that practically no money will be taken out of the local communities excepting in payment of mortgages held by outside corporations. In places there will be a burden placed on the banks by the fact that some of the large life insurance companies have temporarily withdrawn from the field. However, in none of these cases is there any difficulty looked for in taking care of the demands, although one or two of our correspondents have intimated that they might ask for some short time accommodations. Land values in many localities are declining, and where advances have come they have been slight."

FOREIGN TRADE GOOD

A statement of the value of the foreign trade of the United States with the principal countries and grand divisions of the world in the month of January and the seven months ending with January, 1911, compared with corresponding periods of 1910, has just been completed by the bureau of statistics, department of commerce and labor. Imports for the month of January show a falling off of about three million dollars, and for the seven months ending with January, an increase of two and three-fourths million dollars. Exports in the month of January show an increase of fifty-two and one-half million dollars, and in the seven months ending with January, an increase of one hundred and seventy-two million dollars. Exports show an increase to each of the grand divisions and to nearly all of the leading countries, those to China and Japan in January being in each case practically double those in January of the preceding year.

MICHIGAN BANKS MERGE.

Saginaw, Mich., February 26.—The Saginaw County Savings Bank, one of the oldest financial institutions in eastern Michigan, has consolidated with the Bank of Saginaw, giving resources of more than \$9,000,000 and deposits of \$8,000,000. Benton Hanchett is president of the consolidated banks.

C. F. Hendrickson of the Scandinavian-American Bank of Seattle; C. R. Sterberg, a lumberman of Buckley, Wash., and Sylvester Petersen and Arthur Eckern of Seattle, will establish the First Bank of Lyle, Wash., in the near future.



Special Banking Services

THIS bank makes a specialty of handling inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment or circulation purposes. During the past twenty-eight years its officers and directors selected and purchased, after careful investigations, over **one thousand million dollars** of bonds, which have been sold to a constantly growing list of conservative clients. In buying bonds of this institution the investor secures the benefit of the extensive experience and trained judgment gained through the selection of this large amount of safe investment. The special character of our business permits of liberal interest terms on inactive or reserve accounts of banks, bankers, corporations, firms and individuals.

Harris Trust and Savings Bank

ORGANIZED AS N. W. HARRIS & CO. 1882. INCORPORATED 1907

204 Dearborn Street, Chicago

AFTER MAY 1, 1911, WILL BE LOCATED IN NEW HARRIS TRUST BUILDING





ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

We pay 3% per annum on inactive accounts and invite financial institutions to deposit reserve funds with this bank. Active accounts are also handled with efficiency.

OFFICERS

LUCIUS TETER, President	JOHN A. McCORMICK, Vice-President	WILLIAM M. RICHARDS, Asst. Cashier
EDWARD P. BAILEY, Vice-President	HOUSTON JONES, Cashier	LEVERETT THOMPSON, Secretary
H. T. SIBLEY, Manager Investment Department		

RESOURCES OVER FIVE MILLION DOLLARS.

San Francisco

At the annual meeting of the stockholders of the Union Trust Co. of San Francisco, directors were elected as follows: Isaias W. Hellman, I. W. Hellman, Jr., John D. Spreckles, Timothy Hopkins, George A. Pope, J. L. Flood, Charles Holbrook, Jacob Stern, Wm. L. Gerstle, J. Henry Meyer, A. H. Payson, Charles G. Lathrop, Wm. F. Herrin, E. S. Heller and Charles J. Deering. Dividends of \$25 per share each quarter have been paid to stockholders.

The capital is \$1,200,000, with surplus and profits of \$1,489,278.71. The directors organized by re-electing the former officers namely: Isaias W. Hellman, president; I. W. Hellman, Jr., vice-president and manager; Charles J. Deering, vice-president; H. Van Loven, cashier and secretary; Charles Du Parc, assistant cashier and secretary; W. C. Fife, assistant cashier; L. E. Green, trust officer.

The Comptroller of the Currency reports the principal items in the condition of California national banks as of January 7, 1911, compared with the previous call on November 10, 1910, and that of a year ago, January 31, 1910, as follows:

State of California (exclusive of reserve cities):

January 7, 1911—Number of banks, 175; loans and discounts, \$75,990,325; individual deposits, \$88,691,663; per cent legal reserve, 17.53.

November 10, 1910—Number of banks, 171; loans and discounts, \$74,582,936; individual deposits, \$76,515,490; per cent legal reserve 17.37.

January 31, 1910—Number of banks, 151; loans and discounts, \$64,269,698; individual deposits, \$77,633,546; per cent legal reserve, 18.53.

The 30th receiver's report of the defunct California Bank, of Oakland, filed with the county clerk, shows the liabilities of the bank to be \$415,939.17. Creditors of the institution have received to date 65 cents on the dollar and the liabilities have been reduced to the extent of \$732,197.53.

On February 1st the Anglo California Trust Co. began the handling of the business of the Central Trust Co. The main office of the Anglo California Trust Co. is now located at the corner of Market and Sansome streets; both the Van Ness and Mission street branches will be maintained permanently.

The Swiss-American Bank will be maintained as a separate institution, affiliated, however, with the Anglo California Trust Co., for the transaction of a general savings bank business. The combined capital and surplus exceeds \$2,000,000. Mortimer Fleishhacker is the president of the institution, and states the business of the combined banks has started in most auspiciously. The stock of the Central Trust Co. will be exchanged for equal shares in the Anglo California Trust Co.

Superintendent of Banks Alden Anderson has issued a certificate to the City and County Bank of San Francisco to operate a savings department in connection with its commercial banking.

The banking house of Ehrman and Company, one of the oldest on the Isthmus of Panama, has liquidated and turned over all its banking business to the International Banking Corporation.

Edward A. Leach has been elected president of the Humboldt County Bank at Eureka, his election following the resignation of F. W. Georgeson several weeks ago. The other officers elected are: Vice-presidents, Kenneth Newett Jr., Geo. Y. Henderson and Geo. W. Cousins, and cashier, Henry W. Leach. The capital stock of the Home Savings Bank has been increased from \$50,000 to \$100,000.

The senate banking committee has decided not to report out the bill combining the bank department with the building and loan commission. Senator Black's bill, which does away with the present building and loan commissioners and provides for one commissioner to take their place, has been reported favorably, and will probably be passed. Under its provision Governor Johnson can remove Governor Gillett's appointees, Transue and Curry, and the new commissioner will hold at the governor's pleasure.

A new Minnesota bank at Miers Grove has \$10,000 capital. F. A. Hilbert is president and Nicholas Weyland cashier.

Los Angeles

At the annual meeting of the Los Angeles Hibernian Savings Bank, Robert G. Hill was elected president; Geo. A. J. Howard, cashier, and W. R. Holly, assistant cashier.

The Broadway Bank and Trust Co. has elected R. J. Waters president; W. Gillelen and R. W. Kenny, vice-presidents; A. H. Kehler and M. N. Shedenhelm, assistant cashiers, and A. W. Redmon, cashier. This institution will be operated as a trust company in connection with Citizens National.

The First National Bank of Fullerton will expend \$10,000 in improvements in its building. A new reinforced concrete vault of large size will be installed and a solid plate glass front on two sides put in.

Los Angeles bank clearings for Wednesday, February 15th, were greater by \$412,208 than for any previous day in the history of the city. The total clearings for that day were \$4,600,293. It is the first time that clearings for a day ever reached even \$4,250,000. Only on three days of the city's history have the clearings exceeded \$4,000,000. These were March 2, 1910, \$4,085,014; October 13, 1910, \$4,109,082; November 16, 1910, \$4,003,492. The record for February 15, 1910, was \$3,369,521, which is \$1,230,777 less than the same date for this year.

J. F. Sartori, president of the Security Savings Bank, is a member of a trial jury in the Superior Court, and when the clerk of the department made out the pay demands, Mr. Sartori declined to accept his. When informed that the money would lie to his credit unless he countersigned his voucher in favor of some one else, Sartori arranged that his pay shall go to the Associated Charities during his entire jury service.

Mr. Sartori says he considers it his duty as a citizen and taxpayer to serve on the jury. His position is so at variance with that of most men of affairs that it attracted a good deal of comment. Following his example, the entire Federal jury bestowed its salary for one day, on the Associated Charities.

PORTLAND IS ALL RIGHT

Louis W. Hill, president of the Great Northern says: "Portland has the best commercial club in the United States and the advertising campaign being carried on by Oregon will double the population of that state within five years."

The Harrold State, S. D. with \$10,000 capital, will take the place of the German American State, and back of it, Governor R. S. Vessey, A. W. Ewert of the National Bank of Commerce of Pierre, H. J. Meidell of the Beresford State and others, Fred Winckler will continue president; William Summerside as vice president, J. F. Donovan, cashier, and Paul Winckler, assistant cashier.

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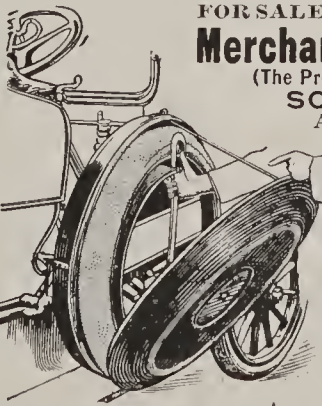
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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

In a daily portrayal of advantages of Minnesota by a Minneapolis paper is found a ray of sunshine for a bank. It reads:

"The State Bank of Wheaton on a rented farm of 320 acres, eight miles from Wheaton, received for its share of one-half the crop, a little over \$3,500 for the season of 1909. The renter had in eighty-six acres of corn, which was fed to steers and which netted (except as to the labor of feeding) a little over \$35 per acre. Similar land in the neighborhood of this farm was selling at that time from \$40 to \$50 per acre, depending upon improvements."

Would Exempt City Bonds

The plan of Alderman Karl DeLaittre for exempting Minneapolis bonds from taxation and putting them on the local market is approved. A. J. Edwards of the Wells & Dickey Company, says:

"You will see the local investors buy many bonds if they are not taxable. I believe many of the large estates would take up the bonds as a safe investment and I believe local investment companies will be more anxious than now to buy. While of course the city hasn't taxed the bonds as a rule there is nothing to hinder the assessor from doing so. Therefore, whenever a local company has purchased bonds the bonds have been disposed of as a rule before becoming taxable. I don't believe, however, the small investor, the man with \$2,000 or \$3,000, will buy the bonds, although in rare instances whenever a safe investment is desired he might do so. The move is a step in the right direction."

Important Decisions

Two supreme court bank decisions in Minnesota have germs of truth for bankers in other states. In brief, or nutshell form, these are thus:

Hennepin County—Rohders, Merritt & Magler, respondent, vs. People's Bank of Minneapolis et al., defendants; W. C. Daniels et al., appellants.

1. A co-partnership has an insurable interest in the life of one of the partners.

2. Whether a corporation has an insurable interest in the life of a stockholder is not decided. But an insurance contract which has been issued and carried in good faith upon the life of a member of a co-partnership may be assigned by the co-partnership to the corporation organized for the purpose of succeeding to the business.

3. An assignment by the beneficiary of a life insurance policy may be made by parol, no objection being interposed by the insurer.

Affirmed.

Steele County—National Citizens' Bank of

Mankato, respondent, vs. M. E. Babcock et al., defendants; William G. Hoerr, appellant.

The evidence was sufficient to warrant a finding that appellant Hoerr agreed to credit a stipulated amount on certain mortgage notes in consideration of the relinquishment of all interest in a timber contract which had been assigned to him by Defendant Babcock.

Such agreement was not the purchase of an interest in real estate, and for that reason void under the statute of frauds.

Affirmed.

Activity of State Banks

Spring develops new banking activity in the Northwest. The stockholders of the National Bank of Preston, Minn., decided to liquidate and form a state business with \$25,000 capital, the Farmers and Merchants State. The Kilkenny State is organized with \$10,000 capital, by Jacob Lampert, Minneapolis; L. L. Meonch, J. E. Stanley, C. E. Hendrickson and William Sieveke, all of Kilkenny. The Security State of Pillager, Minn., has started under favorable auspices. O. H. Schroeder of St. Paul is president. E. P. Baker of Pillager is vice-president and C. G. Schroeder, brother of the president, is cashier. The capital is \$10,000. The State Bank of Oakland, Minn., has been organized with \$10,000 capital of which Alfred Christopherson is president and James L. Sorenson is cashier. Business men and farmers contemplate a bank at Thielman, Minn., W. C. Dustin of Elmore and A. M. Schanke of Mason City have bought control of the Farmers' State at Elmore, the latter being president, the former vice-president and L. H. Haeger, cashier. B. J. Lindberg succeeds A. T. Nelson as cashier of the Farmers State of Henning. R. W. Daniels has been elected cashier of the Harmony State, Minn., to succeed J. S. Jacobson, resigned.

George C. Rankin, receiver for the First National of Faribault, Minn., will sell remaining assets March 14th. Three dividends of a total of 70 cents have been made and 5 cents more is expected.

Northwestern Miscellany

C. H. Shimer, former teller of the Minnesota National, has been indicted by the grand jury on the charge of grand larceny. The failure to credit a depositor with \$470 was the cause of his arrest, according to evidence submitted on November 5, 1910.

J. S. Pomeroy, cashier of the Security National, is back from the Gulf coast. He was surprised to find Minneapolis people at every turn. These were largely bound one way or

another to the Canal, Havana or Jamaica. Good business conditions were discovered in the South. Some success has been made in the attempt to interest Northern farmers in Louisiana lands. New Orleans is disappointed at losing the Panama exposition. Memphis, Mobile, Biloxi and other places expect trade stimulus from the opening of the canal.

Among the members of the new grand jury in Hennepin county is G. F. Orde, vice-president First National Bank.

Two bids for \$800,000 4 per cent Minneapolis bonds have been rejected, one was below the par limit and the other required \$4,000 bonus for expenses. Legislation is expected to raise the interest limit to 4½ per cent. The first bid was by Farson, Son & Company, Chicago, and the other was from Haisel & Company, N. W. Halsey & Company offered for \$825,300, par and \$100 premium, if city would pay \$14,130.10 expenses.

The Savings Bank of Minneapolis will reorganize under the state law with \$25,000 capital and \$5,000 surplus paid in. It will operate in connection with ten associate banks of which Adam Hannah, the secretary, is president. The combined capital, surplus and undivided profits of these banks is reported at \$220,000 and deposits about \$2,000,000.

The new bank will do much the same business as before with additional preogatives which will increase the earning power, including investment business. The bank was organized in 1899 under the mutual savings law of 1879 in Minnesota. The associate banks are: Bank of Perth, Perth, N. D.; State Bank of Rolla, N. D.; Farmers' Bank of Hampden, N. D.; Farmers' Bank of Munich, N. D.; Farmers' Bank of Ray, N. D.; Farmers' Bank of Garrison, N. D.; Farmers' Bank of Mercer County, Krem, N. D.; Farmers' Bank of McKenzie County, Charlson, N. D.; Farmers' State Bank, Bison, S. D.; and the Market State Bank of Minneapolis.

A. D. Clarke, director in the Minnesota National, and former president, has been fined \$250 in the Hennepin district court for contempt or to go to jail for thirty days. The fine was paid. The sentence involves the understanding that he will get a divorce obtained in Reno, Nev., annulled.

City Comptroller W. H. Farnham of St. Paul will sell on April 1st \$220,000 school bonds and \$75,000 play ground bonds. Tax levy certificates will not be issued this year for the sinking fund, saving the city \$80,000 interest.

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Pittsburgh

Directors of the Anchor Savings Bank have elected G. C. Dellenbach vice-president, succeeding the late R. J. Stoney, Jr., whose death occurred several weeks ago. Mr. Dellenbach is well known in Pittsburgh financial circles and is president of the Fort Pitt Bridge Co. as well as being interested in a number of other companies here. The vacancy on the board of directors was filled by the election of A. V. Holmes, also a well known local financial man.

The reason assigned for the resignation of William B. Carlile, Chicago manager of the Mutual Life, is that the company will establish a clearing house in Chicago and divide the Chicago territory among several managers, a policy with which Mr. Carlile was not in accord.

One of the largest coal land deals in this vicinity for years, was the sale transferring 1,603 acres on the Pittsburgh vein of coal, in Washington township, Fayette county, and Rostraver township, Westmoreland county. The coal land is sold by Mrs. Elizabeth S. Moore to the Naomi Coal Company, of Pittsburgh for \$1,145,662. The deeds are for three tracts of coal and are dated January 15th. With the deeds will be filed a mortgage to secure \$1,145,000, 5 per cent bonds, which will mature in January, 1941. The Safe Deposit and Trust Company of Greensburg is the trustee.

A resolution was adopted by the county commissioners to issue \$1,000,000 worth of bonds for constructing new roads and for improvements of existing roads. The bonds are to be four per cent and to run for a period of 30 years, being of the same character as those formerly issued for the same purpose.

The Jones & Laughlin Steel Company has begun the dismantling of furnace 3 of the Eliza group and will immediately rear another great blast furnace on that spot, entailing an expenditure of about \$1,500,000. The same company is now spending about \$4,000,000 in the erection of furnaces at Allequippa, all of which will be in service about May 1st.

The company, through its representative, William T. Mossman, gave out the information that their Pittsburgh mills at the present time are running 80 per cent full, while their new mills at Allequippa are running 100 per cent full and double turn. The additional information is given that the Jones & Laughlin people do not intend to remove any of their mills from Pittsburgh to Allequippa, but that the total of \$25,000,000 to be spent in plants, etc., at Allequippa will be all for new undertakings.

The Westinghouse Electric and Manufacturing Company has let contracts to the American Bridge Company for structural steel to be used in the erection of foundries at Trafford City, and work on the orders will begin within a few weeks.

The contract calls for structural steel for

two buildings, one 250 by 50 feet, and the other 65 by 200 feet, in all over 3,000 tons of structural steel being necessary. The Westinghouse Company has purchased 30 acres near Trafford City, and it is planned to have all the castings for the various Westinghouse companies produced in the one series of foundries at Trafford.

Iron and steel makers are coming into the market for heavy tonnages of coke, and the price of coke should not go any lower. Makers are preparing for a long run.

There has been no upward trend in prices yet but many of the heavy consumers of this commodity are placing their orders fearing that the prices will be advanced. The result has been a healthy advance in conditions about the coke plants of this section. The effect of the demand has been felt most in the Connellsville region and especially at the plants of the H. C. Frick Company. This corporation alone is firing over 2,000 ovens and the outlook is that several thousand more will be put in heat within the next ten days.

The estimated production of coke last week was 302,275 tons as against 291,705 tons the week before. This gain was mostly with the furnace ovens, the merchant ovens showing a gain of only a few tons.

Group Eight of Pennsylvania Bankers Association has elected the following officers:

Chairman, H. M. Landis, Federal National Bank, Pittsburgh.

Vice chairman, E. W. Pitts, Peoples Bank, McKeesport.

Secretary, J. S. M. Phillips, National Bank of Western Pennsylvania, Pittsburgh.

Treasurer, Dean Clark, Citizens National Bank, Vandergrift.

Executive Committee: W. S. Linderman, Duquesne National Bank, Pittsburgh, chairman; D. Gregg McKee, Pittsburgh Trust Co., W. C. Lowrie, Columbia National Bank, Pittsburgh; George C. Watt, First National, Braddock; A. C. Warne, Washington Trust Company, Washington, Pennsylvania.

Delegates to the convention of the American Bankers Association: F. H. Richard, First National Bank, Pittsburgh; W. D. Cotterrel, Union Deposit and Trust Company, Waynesburg.

TWO BANKS TO MERGE

Plans are being made for a merger of the Twelfth Ward Bank with the Nineteenth Ward Bank in New York, the combined institutions to bear the name of the latter. Bradley Martin, Jr., president of the Nineteenth Ward Bank, will be at the head of the merger. His bank, which has a capital of \$300,000, will take over the assets and business of the other bank, which will be run as a branch.

BANK OF MONTREAL GAINS

The Bank of Montreal, which has been paying dividends at the rate of 10 per cent per annum for some years will, it is expected, shortly increase the rate to 12 per cent.

Philadelphia

E. D. Scholey, who has been secretary and treasurer of the Philadelphia Trust Company, will hereafter attend exclusively to the duties of secretary. Assistant Treasurer Samuel Carter has been elected treasurer and Henry L. McCloy was named assistant treasurer.

Francis B. Reeves, president of the Philadelphia Clearing House, says the movement looking to trust companies coming into closer relation with the clearing house is progressing.

The surplus income of the Reading Iron Company for last year exceeded \$1,000,000, which equals 100 per cent on the capital stock all of which is held by the Reading Company.

J. S. & W. S. Kuhn are offering \$350,000 West Penn Traction Co. first mortgage 5% bonds due 1960 at 97 to yield approximately 5.25%. The company operates 127 miles of traction property and has exclusive lighting and power business in over fifty municipalities in Allegheny, Westmoreland and Fayette counties, Pennsylvania. The bonds are a first mortgage on all new property constructed. The company is thoroughly equipped and owns much right of way and operates under long term franchises. Earnings of the company and subsidiaries for nine months ended September 30, 1910, were total income \$746,877; fixed charges \$497,824. The company is paying 6% on its \$1,625,000 preferred stock and 2% on its \$6,500,000 common stock.

President William R. Nicholson, of the Land Title and Trust Company, is on an extended tour in the West and along the Pacific Coast.

Alfred F. Moore, a director of the National Bank of the Northern Liberties, and George Stevenson, banker, are on a trip to the West Indies and South and Central American ports.

A favorable report was presented to the stockholders of the Commercial Trust Company, at the annual meeting. It showed an increase in surplus of \$250,000 in 1910, notwithstanding that the dividend was advanced from 12 to 14 per cent per annum. The undivided profits and surplus total \$2,182,365; capital \$1,000,000. This completes the eleventh year of the company's existence.

BANK LAW AMENDMENTS

Several amendments to the banking laws of New York have been introduced at Albany by Senator S. Cronin, at the instance of the state banking department, to discourage dishonesty and facilitate prosecution of officers who make false or deceptive reports.

Prohibition of loans to officers or directors of a bank is extended making a loan to a corporation controlled by such officer or director equivalent to a personal loan.

Another change makes trustees of savings banks and directors of trust companies criminally liable in case of a failure through culpable neglect to perform any duty imposed by the banking law.

THE LIBERTY NATIONAL BANK OF NEW YORK

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FRED'K P. McGLYNN
Assistant Cashier

HENRY S. BARTOW
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HENRY P. DAVISON
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CAPITAL, SURPLUS AND UNDIVIDED PROFITS
\$3,700,000.00

Fort Dearborn National Bank

Chicago, Illinois



UNITED STATES DEPOSITARY

Capital	-	-	\$1,500,000
Surplus and Profits			500,000
Deposits	-	-	21,000,000

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NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
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Pacific Northwest Banking News

The city of Spokane plans to expend not less than \$7,180,000 on buildings and improvements, the former including a new city hall. Five millions of dollars is added by the estimates approved by the Chicago, Milwaukee & Puget Sound and the Oregon-Washington Railroad and Navigation companies for entrances to Spokane, to which is added \$1,000,000 for a union station. The Washington Water Power Company has awarded contracts for machinery to equip a 90,000 horse power plant on the Spokane River, costing several million dollars. This will give the company control of 157,000 horse power electrical energy within 30 miles of Spokane.

The Inland Empire Paver Company, financed by Wisconsin capital, will erect a wood pulp plant costing \$700,000 in the Spokane valley. The Lewis and Clark high school, to be built this year, will cost \$450,000 and the new quarters for the Inland Club of Spokane will add \$150,000. The congregation of All Saints' Episcopal parish has plans for a cathedral costing \$250,000. Louis M. Davenport and his associates have approved plans for a 14 story hotel building to cost between \$1,000,000 and \$1,250,000.

In Honor of Chase

Members of the Spokane Clearing House association will launch a movement at the next meeting to erect a fitting memorial in Washington, D. C., to Salmon P. Chase, founder of the national banking system of America. W. D. Vincent, cashier of the Old National Bank, who is one of the prime movers, believes it will be an easy matter to raise between \$15,000 and \$25,000 in contributions from national banks, in addition to what could be realized by private donations. Mr. Vincent said it would be a good idea for Spokane to take up this movement and then pass it to the New York Bar association and the authorities in Washington.

Large Bond Issue

Five hundred thousand dollars school bond issue authorized at the election in Spokane on February 18th, will be offered for sale on April

3d. The bonds are payable 20 years from date, with interest not to exceed 5 per cent per annum, payable semiannually. Both the bonds and interest are to be paid at the county treasurer's office in Spokane or at the fiscal agency of the state of Washington in New York. The bonds are to bear the date July 1,

1911, and to be in denominations of \$1,000 each, the purchaser to pay accrued interest, if any, at the time of the delivery of the bonds.

Is Appointed Examiner

Martin McLean, formerly cashier of the Traders' National Bank of Spokane, now cashier of the National Bank at Davenport, Wash., has been appointed national bank examiner of the state of Washington by Lawrence O. Murray, comptroller of the currency, succeeding E. F. Wilson resigned to become vice-president of the National Bank of Commerce at Tacoma. Mr. McLean's candidacy was indorsed by the national banks of Spokane and Seattle and bankers of other cities of the state, beside the business men. He is a comparatively young man and has had a varied banking education, having risen from a clerk in a country bank to the cashiership of the Davenport Bank, taking the intermediate courses in the metropolitan banks of the larger cities.

Trustee Company's Success

Reports submitted at the annual meeting of the Trustee Company of Spokane, shows that the company has \$1,575,000 in units in force. The units earned 7 per cent in 1910. A dividend of 6 per cent on the capital stock was declared and these officers were re-elected: President, Harry A. Flood; vice-president, J. M. Comstock; treasurer, George S. Brooke; secretary, H. Allenberg; assistant secretary, R. F. Hanke; directors, Alfred Coolidge, D. M. Drumheller, R. Insinger, James C. Cunningham, Thomas H. Brewer, W. H. Acuff, J. K. Smith, W. T. Clark, Fred B. Grinnell, W. D. Wood and A. L. Hawley.

Ninety-seven Candidates

J. Grier Long, a native of Juniata county, Pa., born at Port Royal in 1861, formerly a school teacher and now head of the Washington Trust Company, is a candidate for city commissioner under the new form of government in Spokane, at the election to take place on March 7th. Mr. Long came to Spokane in 1889. There are 97 candidates for the five commissionerships. The salary is \$5,000 a year.

THE INLAND EMPIRE

Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequaled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

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**The Old National Bank
OF SPOKANE**

Texas Numerical Transit System

Dallas, explains the working of the state-wide plan to the Group 1 convention at Houston

C. J. Grant of the American Exchange National,

It affords me pleasure to be able to say a word for the numerical transit system before a body of representative Texas bankers, with the hope that it may influence some of you who have not already done so to take an interest in it.

Texas was the first to make an effort to organize a state-wide system, and is to-day the only state in the union operating it. As it stands it is of great value to those banks using it, but there is room for improvement. This improvement can only be brought about by the co-operation of all the banks in the state, and if we could secure this we would have a system that would be not only of value to the reserve city banks, but to every bank in the state, no matter what its size; and it would be such a system as would be the envy of the banks in other states. This co-operation is not a matter of cost, but of interest; and we hope that those present will push the matter along by asking for co-operation when they have an opportunity.

Something over a year ago this state was being flooded with endorsement stamps sent out by our friends in the central reserve, and other large cities; and as these stamps were invariably payable to the bank from whom they were received, we realized that considerable confusion would ensue should we endeavor to use them. In view of this condition some 25 men interested in the transit departments of reserve city banks in Texas held a meeting in Fort Worth, and organized the present Texas numerical system, which has proven of great value.

Now I don't think that any of the reserve city banks doubt the value of this system; but there is a mistaken idea that the interior banks can get no benefit from it, and this idea I am anxious to correct, and will therefore try to explain the system and show where the benefits can be derived from it by any bank, no matter how small.

In the first place, the committee used a bank directory as a basis, and, after correcting same as far as possible, numbered every bank in the state, beginning with number 500, and furnished each bank with an endorsement stamp bearing its number. The funds for purchasing these stamps were furnished by the reserve city banks, and the stamps were sent out without any cost to the different banks who were requested to use them.

Of course these stamps covered all transit matter received by any bank from the Texas banks. The next question of importance was that of numbering the city customers, and for this purpose we left open numbers below 500, each bank, of course, furnishing its city customers who handled transit matter with an endorsement stamp bearing such number as was arbitrarily given them by the bank.

These two classes of stamps covered a majority of transit items received; but there are several other sources from which they are received that can not be covered by endorsement stamps. The items which are sent out for collection and returns, for instance, are paid by checks drawn to the order of the bank receiving them, and of course there is no endorsement. This can be covered by giving the collection account itself an arbitrary number, as in the case of the institution which I represent, where the number 12 has been given for

all these items, and the carbon copies of the paid letters are kept in batches arranged according to date of payment, so that in event of the loss of a letter containing one of these checks the batch can be referred to, and the drawer thereby ascertained.

The next class which we find without numbers are the transit items received from Eastern banks. In order that we might not have to ask them to use any stamp, we made up a list of arbitrary numbers for use in our office, (beginning at 400 and ending at 500) and had these lists typewritten and placed before each transit man, giving each Eastern bank that sent us transit matter a number. For instance, we gave New York numbers 400 to 420, naming the bank opposite each number. Chicago came next, beginning with 421, and so on in each large city allowing as many numbers as we deemed necessary to cover all correspondents in that city.

This covers more than 95 per cent of the transit matter, but there is one other class not covered, which can be handled in two ways. This class consists of items received from a customer who probably deposits a transit item only about once a month; and also items cashed over the paying teller's counter for strangers. In our office we handle this by entering with pencil the names of endorser and the drawer on the letter.

A good many of my friends disagree with me in this plan of handling such items; but I believe that all transit records should be kept in one department. Their plan is to have these items described before leaving the teller's cage and using the teller's number as an endorsing number. Of course this is a very nice way to handle it, and enables you to write your letter completely on an adding machine; but it occurs to me that it is better to have a transit man, whose salary is not so large, to do this work, rather than put this burden on the high-priced employees in the office.

Now this is the system as we have it to-day, but we do not wish to stop here; and this is the point at which we are compelled to seek the co-operation of all banks in the state. The co-operation referred to is simply this: We want to ask every bank, when ordering new stationery, to have their transit number printed on individual checks immediately under their name, and, on their correspondents' drafts, under the signature line. Then, in the event that the correspondent's name is printed on the draft, if it is a Texas bank have its transit number printed under its name.

If this is done it will eliminate the difficulty previously referred to, in the matter of the collection account being endorsed with a special number, as the drawer's number can be entered in its place; but it is more valuable in the matter of concentration letters. If the numbers are printed on the checks it will not be necessary, after writing a letter on the adding machine giving the endorser and amount, to take it out and then write the towns on which the checks are drawn; for, with the

numbers printed, an adding machine can carry the three columns for "endorser," "amount" and "on whom drawn" all in numbers.

Now then, suppose we have secured this co-operation, and that practically all of the checks and drafts in Texas are numbered. The interior bank can then begin to get some benefits. A great many interior banks send practically all of their transit matter to one or two points, and in doing so it is necessary for them to describe the items, particularly as to point on which drawn. Most of them not only give the town on which drawn but also the bank, which of course requires a good deal of writing; but if the checks and drafts had the transit numbers on them it would only be necessary for them to enter one number—which would take up much less time and space than either the name of the town or bank, and yet they would have a complete description of the item.

Now, in addition to this part of the system, there is no reason why the interior banks should not take advantage of the numerical system by handling the local customer's endorsement with a number. It will not even be necessary to furnish the customer with an endorsement stamp bearing the number, as in the smaller towns there are usually only a few firms that handle any number of transit items, and the transit man can make an arbitrary list, which he can keep before him and use if necessary, although in all probability he will soon be able to remember the different numbers; and in making entries on his books he can just enter the number; and you will admit that it will be very much easier to enter "No. 14" twenty-five times in a day than to write "Hammersmith & Sulzberger Company," that many times.

Another point which a great many banks are not availing themselves of, is in the matter of drawer of checks. It would probably surprise you, if you undertook to ask your customers whether they keep a record of the drawer or not, to find that nearly all of them do, and that those who do not will very gladly do so at your request.

I telephoned every customer of ours in Dallas who handles transit matter, and found that over ninety per cent of them were keeping satisfactory records. All but two customers agreed to keep them in future.

Of these two, one of them stated that they kept a record of items above \$5.00 and, could not below that amount. The other stated that they kept a record of only about one-third of their items. In the former case we decided that we would not keep a record of the drawer of five-dollar items, but that we would take a chance of losing possibly one or two items in a year. More than this time has elapsed since we started it, and we have lost nothing. In the other case we decided to keep a record of the drawer of these particular items, but as we lost three or four items of this particular firm we thought that we would try to procure duplicates without advising them who the drawer was, and in each case we have been successful. This proves that better records are kept than a great many people think they are keeping. The natural course of business produces a record of all transactions in some office.

In the smaller towns the percentage in favor of good records would not be as great as in our (Continued on page 29)

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33 years of continuous, conservative and successful banking

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GEO. B. DOUGLAS, Vice-President **MARTIN NEWCOMER, Asst. Cashier**
KENT C. FERMAN, Cashier **A. R. SMOUSE, Auditor**

Reserve Agent for National Banks

The Calmar Savings Bank, Iowa, has opened. T. M. Morris of Calmar is president; T. M. Pierce of Calmar is vice-president; S. E. Brickner, clerk of the district court, is cashier. One of the directors is E. J. Curtin, for many years leading horseman of the state. Prominent farmers are others. The capital is \$50,000.

The proposition of Oklahoma City, Okla., to issue \$1,250,000 in municipal bonds to improve the water works was lost last week. The opposition to the issue was based upon the charge that the whole plan of purifying the water of the Canadian river would not be possible.

Des Moines, March 1.—If all group meetings in Iowa this season are as successful as the three held on Washington's birthday, there will be plenty of occasion for congratulation. Group Seven met at Williamsburg, Group Ten at Ottumwa and Group Eleven at Burlington. In all instances excellent programs and large crowds are reported.

Probably the meeting of Group Eleven at Burlington was most largely attended of the three. The banquet room at the Hotel Burlington was not large enough to accommodate the financiers and it was necessary to spread tables for an overflow meeting. Many of those present were from Illinois towns, St. Louis and Chicago. The program was given in the Garrick theater. Engineer Hugh L. Cooper in charge of the big water power projects at Keokuk and Hamilton spoke at 11 o'clock in the morning. Joseph H. Ingwersen of Clinton spoke on "The State We Live in."

Everybody knows the capabilities of Mr. Ingwersen and he lived up to expectations. He told what is the trouble with Iowa and why after all it is the best state in the Union. C. A. Carpenter of Columbus Junction spoke on "The Country Banker." Mr. Carpenter launched a new idea, the formation of a central reserve association. He also took up the problem of "What ails Iowa," and declared that intensive farming will solve the problem of decreased population. Attorney W. M. Keeley of Washington read a paper on "Taxation of Moneys and Credits," always a live subject. The association authorized its publication and will see that every member of the legislature is favored with a copy. E. L. McClurkin of Morning Sun presided at the business meeting. New officers elected were, chairman, E. R. Lacey of Columbus Junction; secretary, H. S. Young of Winfield; executive committee, H. G. Moon of Wellmon; V. Z. Breneman of New London; R. D. McCullough of Wapello; C. J. Artz of Burlington; A. M. Loury of Fort Madison.

Another Fine Meeting

The meeting of Group Ten at Ottumwa was attended by one hundred central Iowa financiers. An informal luncheon was given at the Ballingall Hotel at noon. The program of the afternoon was held at the Commercial Club rooms. Alex R. Miller of Washington, editor of the Washington Democrat and noted as one of the humorists of the Hawkeye state spoke on "What's the Matter with Iowa." Mr. Miller suggested a lively field for discussion and the bankers seized the occasion to score the tax on moneys and credits and the tax ferret law, now repealed, in no uncertain terms. A stag lunch was given by the Wapello Club at the club house in the evening. S. F. McConnell of Bloomfield was elected chairman and B. P. Brown of Ottumwa was chosen secretary. The executive committee consists of J. W. Young of Birmingham; E. L. Stickney of Moulton; L. T. Richmond of Albia; R. M. Boyer of Oskaloosa; J. R. Mackey of Sigourney.

Group Seven at Williamsburg

Almost two hundred bankers attended the meeting of Group Seven at Williamsburg. Judge M. J. Wade of Iowa City spoke in the morning on "Confidence." Luncheon was served at the opera house by the women of the Methodist church. J. M. Dinwiddie of Cedar Rapids was toastmaster and the toast program consisted of the following: "Legislation and

the Farmer," by John Cownie of Des Moines, formerly member of the state board of control; "Relation of the Banker to the Public," by J. P. Gallagher of Williamsburg; "Borrowers," by H. E. Hull of Williamsburg; "Modern Business and the Church," by Rev. P. M. Simms of Vinton. George D. McElroy of Vinton was elected chairman and B. E. Hakes of Williamsburg, secretary. The group will meet next time at Tama and Toledo, Iowa's twin cities.

Penfield at Large

The disappearance of E. J. Penfield, president of the Bank of Kelley at Kelley Iowa, and the subsequent closing of the institution following a run occasioned by his disappearance have proved a live subject of interest in Iowa bank circles the past few days. Penfield converted all of his paper into money Saturday, February 13th then disappeared. When Cashier Eggleston opened the institution Monday, rumors of the president's absence had started a run on the bank. Mr. Eggleston found \$400 but this was soon exhausted and the institution closed. The Bank of Kelley was a private bank. It is thought that about \$52,000 should have been available. Penfield was rumored to be under arrest at Watertown, S. D., where he owns property but this proved false and at this writing his whereabouts are a mystery. Secretary Hall of the Iowa Bankers Association will file information if Penfield is located. In the meantime, the depositors have asked for a receiver. The Central State at Des Moines has secured an injunction preventing Mrs. Penfield and B. H. Gavitt of Des Moines from disposing of \$5,250 in certificates of deposit held by them and issued by the Central State upon a New York draft which proved to be bogus. The Boone National was caught for \$3,200 in the same manner.

The bank had been closed only a few hours when Ames capitalists organized the Citizens Savings at Kelley and started it out with \$10,000 capital stock. C. L. Siberly, vice-president of the Union National at Ames, engineered the organization and is cashier. William Greeley, president of the Union National, is president Anton Rynerson of Kelley is vice-president and Henry Sanderson of Kelley is assistant cashier and active manager.

Regulation of Private Banks

Incidentally the failure of the Bank of Kelley has resulted in considerable agitation among the legislators in the city for a statute that will regulate private banks. Some of the more radical counsel a statute that will prohibit them altogether. It is not unlikely that legislation of some sort along this line will be enacted before the session adjourns.

Some important legislation affecting bankers has been passed by the Iowa legislature within the past few days. The house passed the Jacobs bill providing for assessment of shares of stock in state and savings banks against the shareholders at the place where located. The vote was 91 to 0. The bill repealing the tax ferret law was passed by the senate and signed by the governor. The income tax resolution was passed by both houses. The Moore bill providing for the depositing of state funds in other than Des Moines banks was recommended for passage as was also the Moore bill providing for the publication of a yearly bank report by the state auditor. The bill for the guaranty by the state of bank deposits met an

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An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

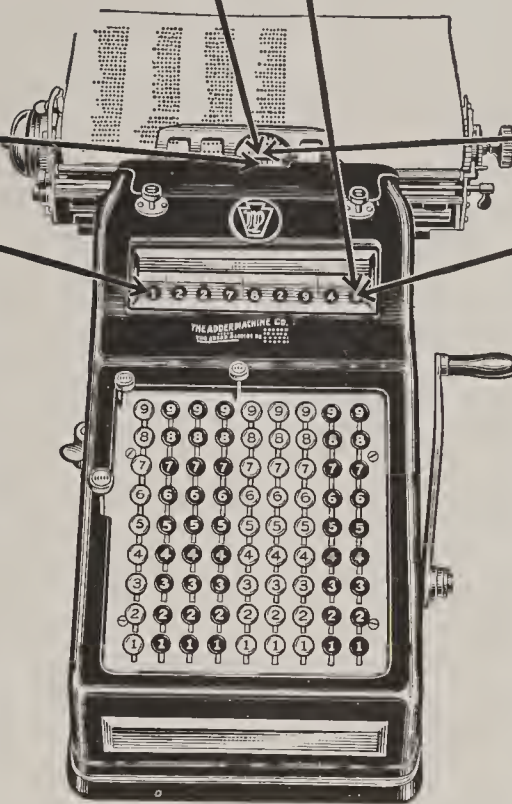
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CORRECTING errors on the WALES is done in the most natural and quickest way possible. If you press the wrong key, simply pressing the right one automatically corrects the error.

The "Non-List" and "Non-Add" keys permit items to be added in totals without being printed, or printed without being added. They are valuable time savers in making statements and trial balances.

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untimely death and was voted down without discussion.

Although the tax ferret law has been repealed, Senator Fitchpatrick introduced a bill to give county treasurers practically the same power as tax ferrets have held heretofore. It provided that treasurers shall be recompensed on a percentage basis for all taxes collected and shall employ assistants to help in uncovering hidden wealth. The compensation is 2 per cent for the first \$50,000 collected; 1 per cent for \$350 the next \$100,000; $\frac{3}{4}$ of 1 per cent for the next \$100,000; $\frac{1}{2}$ of 1 per cent for the next \$100,000 and $\frac{1}{4}$ of 1 per cent for all over \$350,000. The bill was killed in committee.

General Iowa News

Simon Casady, president and Fred Risser, cashier of the Central State of Des Moines have returned from the East where they inspected buildings securing ideas for the new bank to be erected on Fifth Street. They decided that a one story building, devoted exclusively to banking purposes will be constructed. Both men found Canadian reciprocity and similar legislation retarding business in the East, so they said.

A. F. Dawson of Davenport would rather be president of the First National at Davenport than to be private secretary to President Taft. Although he was offered the latter position to succeed Private Secretary Norton, Mr. Dawson declined the job. Mr. Dawson's term in congress expires March 4th. At that time he will return to Iowa to take up his duties with the Davenport bank.

Judge Bailey at Humboldt scolded the People's State of that city for purchasing \$54,000 in government bonds just prior to the visit of the assessor for the purpose of evading taxation, as the court saw it. The bank purchased

the bonds December 27, 1909, and sold them January 3, 1911, but the bonds were never actually in possession of the institution. They were assessed, the bank appealed and the court sustained the board of review.

Judge Smyth at Burlington decided in favor of the National State of that city in its appeal from the assessment levied by the assessor and backed by the board of review. The court reduced the assessment per share from \$165.66 to \$65.

Little Jeanette Reynolds, four years old, daughter of President Arthur Reynolds of the Des Moines National was playing "merry-go-round" on a revolving flour bin in the new Reynolds' home when she toppled headfirst into the bin. A workman heard her screams but when she was rescued, the little miss was limp and unconscious. However, no permanent injuries are expected.

Fred Hill has retired from the Citizens of Britt and will become cashier of the State Bank at Stockwell, Ind. D. J. Miller becomes cashier of the Britt institution with Tena Rasmussen as assistant cashier. Rodney Hill, Jr., will go into the banking business in Nebraska.

The new Farmers Savings at Ulmer has opened for business. M. M. Heptonstall of Sac City is president; Charles Hill of Ulmer is vice-president; C. H. Townsend of Lake City is cashier.

Fire which did damage of \$150,000 at Buxton one night last week partially consumed the Buxton Savings which reports a fire loss of \$3,000.

George McElroy has been elected cashier of the Farmers National at Vinton succeeding C. C. Harrington who resigned recently after many years service.

The Whitney Loan and Trust Company at Atlantic is planning to erect a new structure. The Atlantic National also announces that it will either build or remodel its present quarters.

Out of the city bankers in Des Moines recently include John McHugh of the First National, Sioux City; President Lafayette Collins, Citizens National of Knoxville; Cashier H. R. Long, Bank of Hubbard; Cashier L. W. Miles, Atlantic National; Cashier F. Van Erdewyck, Breda Savings; Cashier L. Wegman, Halbur Savings.

A man named Coppeath has been arrested at Denison charged with forging checks for small amounts on banks at Mt. Ayr, Shenandoah, Charter Oak, Denison and Boyer.

Robbers dynamited the Bank of Callender near Fort Dodge and later rifled the postoffice but secured little of value either place.

A bill has been introduced in the Iowa legislature reducing the interest rate from 8 per cent to 6 per cent.

B. P. Castner, cashier of the People's National at Albia has been elected president succeeding President Collins, resigned. E. E. Elder is cashier.

Glen Ribsamen has been elected cashier of the LeGrand Bank succeeding J. W. Hockett.

Hans C. Christensen has been made president of the Dakota National at Dickinson, N. D., and E. D. Hevener vice-president. D. D. Mars remains as cashier. Mr. Christensen has been a cattle raiser for more than twenty years.

Seneca, Kan., has just voted \$15,000 bonds for extending the municipal water plant to pipe water from a large spring about a mile east of that town.

Great Meetings

The week of February 20th was an important one in Oklahoma banking circles for it witnessed the meeting of five group associations which were attended not only by local bankers but also attracted many visitors from Kansas City, St. Louis, Chicago and other large outside banking centers. Several special cars brought eastern financiers who began with the meeting of Group One at Guthrie on Monday and made the circuit of the other four meetings ending with that Claremore on Friday. It was the unanimous expression of those who attended the series of meetings in Oklahoma that they were the most successful and enjoyable affairs of the kind the new state has ever had. The meetings reflected the high degree of prosperity now being experienced in Oklahoma and outside visitors were deeply impressed by their tour of the five cities and the contact with the men of affairs in the state.

Practically all of the outside visitors were on hand in Guthrie when the meeting of Group One opened. The principal address of the day was delivered by Myron R. Sturdevant, of St. Louis, on the central reserve bank as advocated by Senator Aldrich in the United States senate. Mr. Sturdevant outlined the entire plan and advocated its establishment. Monday evening the bankers were entertained at a dinner and ball given by the bankers of Guthrie. At the business session the following officers of Group One, Oklahoma Bankers Association, were elected: C. E. Dowis, of Blackwell, president; Eugene Beyer, of Guthrie, vice-president; C. D. Rorer, of Shawnee, secretary and W. S. Patton, of Edmond, treasurer.

Group Two, Oklahoma Bankers Association met Tuesday, February 21st, at El Reno. This group covers fifteen counties in north-western Oklahoma and practically every bank in the district was represented. At the morning session the following officers were elected: C. C. Smith, of Enid, president; F. W. Winslow, of Carmen, vice-president; Joseph Dvorak, of Renfrow, secretary and A. H. Keith, of Watonga, treasurer. At the afternoon session addresses were delivered upon these subjects: "Pending Legislation," A. M. Young, of Oklahoma City; "The Cashier," L. B. Myers of El Reno; "County Organization," Charles M. Delsell of Cherokee. Short and somewhat informal talks were made by W. D. Bowling of Fairview and I. R. Heasty on "Slow Collections." Carter Chase of Omaha, spoke on, "Old Time Banking Methods." The citizens of El Reno gave a reception and a ball at the local Elks Club for the visitors Tuesday evening.

Chickasha was the next city that entertained local and visiting bankers on Wednesday, February 22d. About five hundred delegates and guests were present and the following counties in the district were represented: Beckham, Caddo, Custer, Greer, Grady, Harmon, Jackson, Jefferson, Kiowa, Swanson, Stephens, Comanche, Washita and Tillman. The next meeting of the group will be held at Clinton, the home of the new president. The following officers were elected: C. W. Brewer, Clinton, president; W. P. Fowler, Duncan, vice-president; F. W. Smith, Lawton, secretary and Stonewall Jackson, Cheyenne, treasurer.

At the meeting of Group Five, in Ardmore, the following officers were elected: R. D. Wildor, Hugo, president; A. R. Hickman, Pauls Valley, vice-president; B. A. McKinney, Durant, secretary and J. C. Kenton, Sterrett, treasurer. The Aldrich plan was discussed at this meeting but no definite action was taken. After the meeting in the early evening the special cars and many of the visitors went to Claremore where Group Four met on Friday.

At the Claremore election the following

officers of the group were named; W. E. Rowsey, Muskogee, president; G. D. Davis, Claremore, secretary and W. F. Cagey, Fort Gibson, treasurer. Friday evening the people of Claremore gave a big reception and ball which was thoroughly enjoyed by the more than 330 guests. After the Claremore meeting the visitors scattered for their homes and W. B. Harrison of Enid, secretary of the Oklahoma Bankers Association, who had piloted the guests from outside the state, bade them farewell.

ROCK ISLAND BUYS A LINE

The Chicago, Rock Island & Pacific Railway bought the St. Paul & Des Moines Railroad operating from Mason City to Des Moines, Iowa, a distance of 121 miles, and will build a line 68 miles from Carlisle, near Des Moines, to Allerton. This will give the Rock Island the shortest route by 40 miles from St. Paul and Minneapolis to Kansas City and also give it a through line from St. Paul and Minneapolis to California and to Galveston, and many other Texas points. The new line opens up some 30,000 acres of valuable coal fields south of Des Moines, giving the Rock Island a heavy coal tonnage north and south, and adding largely to the earnings of the 292 miles of road already owned between St. Paul and Kansas City.

IMPORTANT BANK MERGER

The most important banking consolidation that has taken place in Oklahoma for many months was consummated last Saturday when the Central Reserve State Bank of Oklahoma City, with capital of \$200,000 merged with the Oklahoma City National Bank. The latter institution had a capital of \$100,000. The consolidated institutions will be known as the Oklahoma City National Bank and will have a capital of \$500,000. Henry Williams, formerly of Greenville, Texas, president of the Oklahoma City National Bank will remain president, and A. M. Young, formerly state bank commissioner of Oklahoma, is vice-president. A. W. Anderson, cashier of the Central Reserve, will become connected with a Kansas City bank.

BANKER ROBIN PLEADED GUILTY

New York, March 1.—Joseph G. Robin, former banker, pleaded guilty to-day to a charge of grand larceny of \$27,000 from the Washington Savings Bank, of which he was president.

A jury to try him had been selected when he entered his plea. It was said his counsel agreed his former plea of insanity would not stand, since a jury had pronounced him sane, and that therefore he threw himself on the supreme court's mercy.

His total misappropriations are alleged to be \$207,000.

NORTON TO BE BANK OFFICER

Charles D. Norton, secretary to President Taft, is slated to become a vice-president of the First National Bank, New York, in the near future, according to information received in Wall Street. Mr. Norton, it is said, will take the office made vacant by Thomas W. Lamont, who resigned from the bank to become a member of the firm of J. P. Morgan & Co., entering into his new duties on January 1st.

CASHIER RESIGNS

William E. Falk has resigned his position as cashier of the New Albany, Ind., Trust Company to take effect March 1st. He has accepted a position with the New Albany Veneering Company. His successor has not been appointed.

Jail for Robbers

With the imprisonment of five men at Marysville, Kan., waiting trial for bank robbery, the looting of banks in the smaller towns of Nebraska and Kansas has experienced a decided lull. Within the period of four months more than seventy-five small banks in Kansas were visited by robbers but when the so-called Wymore, Neb., gang was broken up, this epidemic suddenly ceased. The other gang of robbers that operated in Oklahoma and Texas is still at work, but much more cautiously and with less frequent operations. The Kansas legislature has appropriated \$10,000 to be used in making rewards for the apprehension of bank robbers.

Within the past week two bank robberies were reported which were believed to be the work of the Oklahoma gang. Monday night, February 20th, robbers entered the First State bank of Barry, Tex., and wrecked the building. They secured \$5,000 and escaped in a stolen rig. A few nights later the First State Bank of Meade, Okla., was visited by yeggs who blew the safe and secured \$1,500. These robbers fired more than a dozen charges and were at work more than an hour. Citizens of Meade who were aroused by the disturbance opened fire upon the yeggs but without apparent effect. The thieves escaped on foot.

BANK STOCK QUOTATIONS

Among the more active Chicago bank stocks quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK	Book Value
Ashland State Bank.....		110	104
Austin State Bank.....	300		228
Calumet National.....	150		144
Central Trust Co.....	169	172	148
Chicago City Bank.....	180	185	145
Chicago Savings.....	145	148	122
Citizens Trust.....	165		116
City National (Evanston).....	300		228
Colonial Trust.....	180	185	175
Continental & Commercial.....	280	282	165
Corn Exchange National.....	429	431	286
Drexel State.....	151	161	116
Drovers Deposit National.....	222	228	169
Drovers Trust.....	183	190	166
Englewood State.....	125	128	121
Farwell Trust Co.....	118	121	113
First National.....	420	422	267
First National (Englewood).....	280		221
Fort Dearborn.....	200	211	128
Hibernian Banking.....	221	226	167
Illinois Trust.....	498	502	278
Kaspar State Bank.....	250		181
Kenwood Trust.....	151	155	128
Lake View Trust.....	139	144	121
La Salle Street National.....	112	116	126
Live Stock Exchange National....	243	250	141
Merchants Loan.....	430	433	303
Metropolitan Trust.....	127	130	132
Michigan Avenue Trust.....	135	138	130
Monroe National.....	130	135	122
National Bank Republic.....	199	202	164
National City.....	229	231	128
National Produce.....	145	148	134
North Avenue State.....	138	141	137
North Side State.....	160	175	159
Northern Trust Co.....	314	318	264
Northwest State.....	123		111
Northwestern Trust.....	150		136
Oak Park Trust.....	315	325	190
Peoples Stock Yards State.....	218	221	135
Peoples Trust and Savings.....	165		152
Prairie State.....	250		104
Pullman Trust.....	159	164	179
Railway Exchange.....	125		114
Security Bank.....	208		164
Sheridan Trust & Savings.....	113	115	111
South Side State.....	143	147	104
South Chicago Savings.....	147	151	146
Standard Trust.....	135	136	126
State Bank of Chicago.....	363		225
State Bank of Evanston.....	298	300	235
Stockmen's Trust.....	115	120	118
Stock Yards Savings.....	209	214	175
Union Bank (Chicago).....	144	150	121
Union Trust Co.....	275		201
Washington Park National.....	135		109
Wendell State Bank.....	110		117
Western Trust.....	149	151	112
West Side Trust.....	200		161
Wilmette Ex. State.....	120	130	108
Woodlawn Trust.....	173	176	128

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J. J. WALSER, Pres., Goss Printing Press Co.
ROBERT F. CARR, Pres., Dearborn Drug and Chemical Works
FREDERICK A. HILL, Real Estate
P. D. CASTLE, Cashier, Austin State Bank
O. T. HULBURD, Hulburd, Warren & Chandler

CHAPIN A. DAY, Treas., Marshall Field & Co.
FRED F. BULLEN, Pres., Minnesota Malting Co.
WILLIAM H. COLVIN, Wm. H. Colvin & Co.
CHARLES S. CUTTING, Judge of the Probate Court
A. R. MARRIOTT, Vice-Pres., Chicago Title & Trust Co.
WILLIAM F. MERLE, Pres., A. H. Andrews Co.
J. H. ROBERTS, Roberts Bros., Railroad Contractors
WM. F. VAN BUSKIRK, Vice-President
CHARLES S. CASTLE, President

CAPITAL AND SURPLUS \$1,250,000

STANDARD TRUST & SAVINGS BANK

159 La Salle Street

CHICAGO

TEXAS TRANSIT SYSTEM

(Continued from page 25)

city; but the bankers are in closer touch with their customers, and in cases where records are not kept I do not believe they would have any trouble in getting their customers to either keep a record or to enter the drawer on the deposit ticket opposite each amount, which would of course be a complete record in your own office.

A great many of you know as well as I do that the Texas system is a success, and I want to say a word in regard to the national system. The American Bankers Association has recognized for some time that the systems being adopted by different banks without regard for one another would create confusion, and have been working along the lines of a national system. Several years ago the large reserve cities were designated by the different letters in the alphabet; but of course the alphabet ran out, and the system was not carried any further at that time. But during the month of December last, the association called together the transit men from the larger cities, your state being represented by J. W. Hoopes and myself. At this meeting there was considerable discussion of the matter, and it was finally decided that a committee be appointed to work out in detail a system based on ours, giving, in addition to the bank number, a number for each state in the Union. This committee, I understand, is working on the matter, and expects to be able to report to the association by April. The association will then take the matter up and see if it can be carried out by the different states. The Texas number will probably be "5" on account of our standing as to the number of banks, and it was agreed that our numbers now in use would not be touched, but that we of course would be requested to put No. 5 in front of our present number. A condition of this kind was anticipated when the Texas system was inaugurated, and that is the reason that our Texas stamps have stars around the border; so that if a system were adopted requiring state identification we can be identified by this, until our stamps then in use are worn out and it becomes necessary to purchase new ones.

About the only matter we are having any trouble with in the Texas system to-day is that new banks are organized and order endorsement stamps and checks without putting their number on them, and this can only be over-

come by other banks in their neighborhood calling their attention to the matter as soon as they are organized.

Now gentlemen, I hope that I have been able to place this matter before you in an attractive light and that you will each and everyone make it a point to order your new stationery with numbers and ask your new neighbors to come into line with us.

NEW YORK'S AUTO BANK

A bank on wheels is the latest in New York. It is fireproof, bullet proof, and is also said to be burglar proof, and can travel fifty miles an hour. This auto bank is expected to make radical changes in the banking business, especially in the outlying districts. It is the property of a trust company in this city.

The car is fitted with a desk and office equipment, including compartments for books, checks and papers. A solid steel safe is built in one corner of the machine. Officials of the trust company are of the opinion that by sending the car about the country a number of depositors would be greatly inconvenienced, especially those who have no place for keeping cash or other valuables.

H. S. Swanberg and A. L. Sorter, and others, have organized the American Trust Company of Superior, Wis., capital \$50,000. The company will open a branch office in Minneapolis, 340-346 Security Bank building.

GRAHAM & SONS

Bankers

Steamship & Insurance Agents

Established 1857-52 Years

Interest on Deposits — Accounts solicited
Money to Loan on Real Estate

Open Evenings — Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO

Association Gains

Appended is a list of members joining the American Bankers Association for week ending Tuesday, February 22d:

Alabama,—Oneonta, Blount County Bank.
Arkansas,—Dumas, Merchants & Farmers Bank; Leslie, The Farmers Bank.

California,—Holtville, The Holtville Bank; Riverside, Security Savings Bank; Sawtelle, Citizens State Bank.

Colorado,—Denver, Home Savings & Trust Co.

Florida,—Kissimmee, Citizens Bank of Kissimmee; Ocala, The Commercial Bank; Zolfo, State Bank of Zolfo.

Iowa,—Calmar, Calmar Savings Bank; Curllew, Citizens Savings Bank.

Kansas,—Bennington, Bennington State Bank; Havensville, First National Bank; Hewins, Hewins State Bank.

Maryland,—Frederick, Central National Bank; Silver Spring, Silver Spring National Bank.

Massachusetts,—Attleboro, Attleboro Trust Company; Boston, Lincoln Trust Company; Clinton, Clinton Savings Bank; Shelburne Falls, Shelburne Falls Savings Bank.

Minnesota,—Duluth, Western State Bank; Marietta, Marietta State Bank.

Missouri,—Nashua, Bank of Nashua.

Montana,—Dixon, Farmers & Merchants Bank; Saco, First Bank of Saco.

Nebraska,—Kenesaw, First State Bank.

New Mexico,—Knowles, Bank of Knowles; Wagon Mound, Wagon Mound Trust & Savings Bank.

New York,—New York City, United States Safe Deposit Co; New York City, Slattery & Company.

North Carolina,—Brevard, Brevard Banking Company; Winston-Salem, Merchants National Bank.

Ohio,—Crown City, The Crown City Bank.

Oregon,—Ashland, Citizens Banking & Trust Co; Jacksonville, Beekman's Banking House; Vale, First National Bank.

Pennsylvania,—New Castle, A. Green's International Exchange Bank; Philadelphia, Peoples Trust Company.

South Dakota,—Le Beau, First State Bank.

Texas,—Wolfe City, Citizens National Bank.

Virginia,—Victoria, Bank of Victoria.

Washington,—Mabton, First National Bank; Malden, First National Bank.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Miscellaneous

For Sale. Two safe deposit vaults. One medium size, suitable for banks, also one large vault with two entrances. Also two bank chests. For particulars, address, Max Schubert, 757 Washington Avenue, No., Minneapolis, Minn.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$45.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Business Opportunities

Wanted. To get into correspondence with person, corporation or syndicate desiring to become interested in financing and assisting in the construction of a railroad about 60 miles long in a good and prosperous section of the South, opening up a fine section of country now without railroad facilities offering possibilities of profitable developments and good local support of a railroad, which would most likely become a connecting link in a through trunk line. Rights of way and about 25 per cent of the capital required will be furnished locally. Address, "D. A.," Care of Chicago Banker.

Wanted. Young man to become financially interested, and take the cashiership in a new bank about to be organized. Write J. M. Dale, Moline, Illinois.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,
407 Monadnock Block, Chicago.

Patrick W. Clark was elected president of the International Investment Company of Spokane, at the annual meeting on February 21st. A. C. Klein is vice-president and general manager and J. B. Clark is secretary and treasurer. The company has been appointed general agents for eastern Washington of the Empire State Surety Company of New York, and Mr. Clark says it is expected this year to transact a large loan insurance and bond business in addition to real estate.

Department of New Business

Siloam Springs, Ark.—The Bank of Commerce has been incorporated with a capital of \$25,000.

Dermott, Ark.—The Dermott Bank & Trust Co. has been incorporated with a capital stock of \$100,000.

Conroe, Tex.—The First State Bank has filed articles of organization with a capital of \$10,000. A. A. Madeley, Banks Griffith, M. E. Griffith and other are promoters.

Walnut Hill, Ill.—A new bank has been organized with L. L. Emerson, of Mt. Vernon, as president, C. D. Kell vice-president, J. W. Kell cashier and K. L. Cruzen assistant cashier.

New Bedford, Mass.—The Dartmouth Safe Deposit & Trust Co. has been organized. The capital will be \$200,000.

Christopher, Ill.—The Christopher State Bank has been organized with a capital of \$25,000. Marquis Eaton is interested.

Danville, Ill.—The Farmers Bank of Danville has been organized.

Bridgeport, Conn.—The East Bridgeport Trust Company is being organized on the east side of the city. Donald MacFayden, Moses W. Manwaring, Jay B. Loyford, N. B. Curtiss, C. E. Hartman, E. L. Sullivan, Frank H. West, Wm. L. Wolfman and others are promoters.

Luray, Va.—The Peoples Bank has been incorporated by the following parties: E. D. Poulton, W. W. Sommer, F. K. Weaver, D. M. Kipps, D. L. Garrison and H. W. Beatty.

Charleston, S. C.—The Citizens Bank has been granted a charter, capitalized at \$100,000. A. W. Litschgi, Sr., R. L. Brown, G. Sottile, John McAllister, M. R. Rivers and others are promoters.

Liburn, Ga.—A new bank is to be organized at this place.

Dexter, Me.—The Dexter Trust & Banking Co. has been organized with a capital of \$50,000. Chas. M. Sawyer is president, S. S. Ireland, F. D. Dearth, H. E. Hale, F. H. Hayes, Arthur P. Abbott and Chas. P. Hatch, W. E. Brewster are interested.

Milwaukee, Wis.—The North Avenue State Bank has been chartered with a capital of \$50,000. W. F. Coerper, William C. Garens and others are promoters.

Millersburg, Ohio.—The Commercial and Savings Bank has been chartered with a capital of \$50,000. B. C. Hill, E. A. Uhl, J. D. Fair, W. L. Koch and G. W. Sharp are promoters.

Kingsbury, Cal.—A new commercial and savings bank is to be established at this place with a capital of \$35,000. Nicholas Nelson will probably be the president.

Gallup, New Mex.—The First National Bank is being organized with the following officers: W. H. Morris as president, W. H. McDermott vice-president and O. A. Fisk as cashier.

Meiers Grove, Minn.—The Farmers State Bank has been chartered, capitalized at \$15,000. P. A. Hilbert, of Melrose, is president; Clemens Meyer, vice-president, and N. Weyland, cashier.

Jamesville, N. C.—The Bank of Jamesville has filed articles of organization with a capital of \$25,000. Stockholders are J. L. Davenport, W. H. Martin, T. W. Mixell and others.

Douglas, Ga.—The Bank of Douglas is being organized by C. R. Tidwell and others.

Jasper, Tex.—The Jasper State Bank has been organized. C. C. Brown, president; J. T. Howell, vice-president, and R. M. Courtis, cashier.

Louisiana, Mo.—The Farmers State Bank is a new enterprise in this place. Capital, \$50,-

000. A. M. Walker and I. W. Avitt, vice-presidents; L. T. Patterson, cashier, and R. G. Pribe, assistant cashier.

McConnell, Ill.—Charles Stringfellow, of Glencoe, Ky., and citizens of McConnell are organizing a state bank here. Capital, \$25,000.

Meansville, Ga.—The Bank of Meansville has been organized. Capital, \$25,000. E. M. Slade & Co. are promoters.

Milford, Mich.—The First State Bank has been organized in this place. Capital, \$25,000. V. E. Lacy, president. The institution will succeed the banking firm of Lacy & Liddell.

New Haven, Conn.—The Broadway Bank & Trust Co. has been organized. Promoters, R. C. Lightborne, Ralph S. Pagter, Frank S. Platt, Henry Baldwin and others.

Paul's Valley, Okla.—The First State Bank has been organized. Milas Laster and others are interested.

Pillager, Minn.—The Security State Bank of Pillager has opened for business here. O. H. Schroader, president; E. P. Bacon, vice-president, and C. D. Schroader, cashier.

Forest Junction, Wis.—Forest Junction State Bank. Capital, \$15,000. Incorporators: W. C. Alten, J. F. Otto, G. N. Schuette.

Franklinton, Ky.—The People's Bank has been organized here. Capital, \$15,000.

Gaston, Ore.—The Gaston State Bank is a new institution here. B. R. Purdy, president, and L. L. Paget, cashier.

Huntington, Tex.—The Guaranty State Bank is a new institution here. W. J. Townsend, Sr., president, and G. J. Ivy, cashier.

Jacksonville, Fla.—The Union Trust Co. is a new enterprise in this place. Capital, \$200,000. John W. Dodge, president; John T. Alsop, vice-president, and Geo. E. Leonard, secretary and treasurer.

Bismarck, N. D.—The Security Trust Co. has filed articles of organization with a capital stock of \$100,000. C. A. Burton, B. L. Conklin, O. W. Will, O. N. Dunham, C. L. Young, G. C. Wachter, R. D. Hoskins, and others are interested.

Beatrice, Neb.—The German-American Safe Deposit & Trust Co. has been organized. J. H. Penner, C. L. Bonham, A. L. Treat and others are promoters.

Denver, Colo.—The State & Savings Bank has been organized to be ready for business April 1st, capitalized at \$100,000. Adolph E. Bundson and Albert C. Monson are interested.

Bethel, Conn.—A new bank is being organized here. William P. Bailey, Howard H. Woodman, I. T. Terry, Geo. F. Shepard, Frank B. French, Edgar T. Andrews and J. Coleman Smith are interested.

Branford, Fla.—The Branford State Bank has been organized with a capital of \$15,000. S. M. Martin is president; J. J. Dempsey, vice-president, and Fred Phillips, cashier.

Vass, N. C.—The Bank of Vass has been chartered with a capital of \$50,000. J. A. Keith, D. A. McLaughlin, J. W. Kaneer, A. Cameron and others are promoters.

Haworth, Okla.—The Bank of Haworth is the title of a new enterprise. W. H. McBrayer is president; W. J. Whiteman and W. Spencer, vice-presidents, and A. M. Hoffman, cashier.

Palestine, Tex.—The Guaranty State Bank has been chartered with a capital of \$100,000. P. W. Essel is president; G. E. Dilley, vice-president; J. E. Augly, cashier, and T. M. Campbell, Jr., assistant cashier.

Leitchfield, Ky.—The Grayson County Bank. Capital, \$25,000. A. P. Stone is interested.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

VIRGINIA bankers will meet this year at Homestead Hot Springs, on June 15th, 16th and 17th, with a very attractive program.

TENNESSEE convention this year will be held at Nashville, May 30th and 31st, Headquarters at the Hermitage. F. M. Mayfield, Nashville, is the secretary.

WALTER M. VAN DEUSEN is the newly elected cashier of the National Newark (N. J.) Banking Co. D. H. Merritt is the president.

MT. CARMEL DAILY REPUBLICAN has enlisted in the conservation of the soil movement chaperoned by the Illinois Bankers Association, and other papers are coming into line. Secretary W. G. Edens of the special committee is doing his usual quality of high-grade work.

THE bank bill as prepared by the Alabama Bankers Association passed Thursday of last week unanimously, in the senate and with only five opposing votes in the house. Several attempts were made to weaken the bill by amendment but on motion to table, the friends of sound banking won in each instance. Only one minor amendment was made to the measure as prepared by the association and this was agreed to by the special committee. Governor O'Neal, who rendered every possible assistance, will sign the bill promptly. It goes into effect thirty days afterwards.

ABOVE is a telegram from Secretary McLane Tilton and puts Alabama in the A1 list of states with safe, sane and efficient banking laws. It establishes a banking department with powers such as are exercised by the banking superintendents in South Dakota, Minnesota, Wisconsin, Michigan, Missouri, Indiana and New York.

ILLINOIS continues to hobble along without complete banking supervision but may yet see the light—?

FOR years the chains-of-banks crowd ruled in Alabama just as the private bankers have for twenty years in Illinois. They were able by various methods to prevent all remedial banking legislation to the end that lack of law, lack of inspection and supervision and general looseness contributed to their gain.

THE incorporated banks saw that the state was losing in standing and borrowing power every year. A bank reference was often only an indication of which gang of bank promoters the individual trained with. It was a sorry state of affairs and the remedy was drastic and efficacious.

ON Wednesday the officers and members of the directorate of the Negaunee (Mich.) National Bank were "at home" to their customers and friends in their beautiful new Iron Street structure, which has been in process of erection and furnishing the past several months. They received visitors all day, and showed them the various features of their bank, the newest and most modernly appointed institution in the upper peninsula.

THE bank building is one of the most attractive and complete in the Northwest. No expense was shared either in the construction or the furnishing of the structure, and the banking rooms and office suites on the second floor are sumptuous and well appointed.

EGAUNEE NATIONAL is capitalized at \$120,000, including a \$20,000 surplus, and the officers are E. N. Breitung, president; Benjamin Neeley, first vice-president; Cleo Meilleur, second vice-president; H. C. Wagner, cashier. The directors are E. N. Breitung, Cleo Meilleur, Benjamin Neeley, A. E. Bos-

well, J. H. Sawbridge, Phil Levine, Joseph Hodgson, John P. Miller and James F. Foley.

LOUIS G. KAUFMAN, head of the consolidated Chatham and Phenix National of New York, had his banking and business training at Marquette, Mich.

MR. KAUFMAN'S advance in banking circles in New York has been rapid. It is less than a year ago that announcement was made that he had been elected president of the Chatham National, one of the oldest and most conservative national banks in New York, with resources of \$9,000,000 and now the consolidation, brought about six months after he went to the Chatham, makes him president of a bank that is of twice the size of the old Chatham and that is destined, banking men say, to have a large and important growth.

IMMEDIATELY on the accession of Mr. Kaufman to the presidency of the Chatham the new blood injected into that institution began to count and its business showed a steady increase which at the time the negotiations for the consolidation were taken up had amounted to a large sum. Mr. Kaufman retains his connection with the First National of Marquette both as director and president.

CHICAGO CHAPTER will have two regular meetings in March. On the 14th Prof. Goode will speak on "Age of Steel" and on the 28th members will debate "Should Senators be Chosen by Popular Vote?"

THE Bank of Dwight (incorporated) has moved into its new building, a fine white stone structure.

THE Ridgely National, one of the boasted institutions in the state, has moved into its new corner building, at Springfield. This is one of the best banks in the state and the location the best at the capital.

OHIO BANKERS ASSOCIATION is very active in promoting safety legislation for banking interests. Three bills are being promoted at present. One touches upon payment of deposits made in trust: one limits a bank's liability on forged or raised checks to one year, unless notice has been given and one enlarges the sentence of the busy yeggman to "from 25 to 40 years." This so that the same man isn't likely to be tried and sent up but once.

GEORGE WELLS has resigned his position as cashier of the First National at Oak Harbor, Ohio, to accept a position in Chicago. Walter Snider, of Lafayette, Ind., who purchased the stock sold by Mr. Wells, has been elected cashier. August Kuebler, of Sandusky, has been elected president.

AMERICAN NATIONAL, San Francisco, bank letter calls attention to the benefits which coast cities are to have from having the Panama exhibition in San Francisco, and from the double backing of the Union Pacific from Omaha west. This alone will call for an expenditure of \$75,000,000.

KANSAS BANKER, Vol. 1, No. 1, is out and much resembles the papers printed by the other state associations. Wisconsin, Ohio, Oklahoma, Michigan, Texas and now Kansas, publish official organs. W. W. Bowman is editor in chief.

ANENT the Robins attempt to show insanity in his New York trial the Boston Post remarks: "We want no such nonsense as 'bankers' insanity' established as a principle of justice in this country any more than we wanted 'dementia Americana' and 'brainstorms' in the Thaw case. A banker who for a number of years cleverly handled many complicated affairs—for his own advantage—and had brought them through a bad panic is not insane."

ON the subject of postal savings banks the Richmond Virginian sees this advantage: "There is one phase of the new postal savings bank which should go far toward helping what is often a pitiable condition. It will be noticed that married women's accounts and those of children are to be received by the government free from the interference and control of any person save the depositor."

CASHIER.

JOKE IS ON GOV. BAILEY

Friends of W. J. Bailey, former governor of Kansas, who is vice-president and manager of the Exchange National Bank of Atchison, are smiling over an incident that occurred in that institution recently. It appears that Mr. Bailey has been insisting upon the bank employees being prepared for robbers and he has furnished each of the men with a revolver of the latest and most formidable design. In order to test the readiness of the bank employees to resist a robber when suddenly surprised, Mr. Bailey appeared unexpectedly at the door of the bank one day slightly disguised and with a big revolver in his hand he issued the order "hands up." To his complete surprise there was no panic. On the contrary in about ten seconds a dozen of those sinister new weapons were leveled at his head and he lost no time in disclosing his identity. He says he has full confidence in the nerve of his employees and will not repeat the experiment. But the office boy is whispering it about that the employees knew all along that Mr. Bailey was going to test them and they were ready for him.

VINDICATION OF SENATOR LORIMER

Every bank in Chicago received prompt telegraphic notice of the vindication of Senator Lorimer, at Washington, on Wednesday. The vote was 46 to 40 in the Senator's favor. Thus the costly newspaper-political persecution is (or ought to be) at an end. The readers, the advertisers and the lookers-on, all are tired to death of the senselessly conceived and recklessly carried out assault upon Senator Lorimer by the once powerful Chicago Tribune. We are hoping now that that paper will take its own prescription and tell us "who is putting up?"

DIRECT PRIMARIES IN CHICAGO

The results of Tuesday's direct primary voting in Chicago shows the real reason the "bosses" so long opposed that method of selecting nominees. Graham of the democrats and Thompson of the republicans had strong organization support which in the end seems to have cost them thousands of votes. Merriam and Harrison and Dunne, without any such support far outstripped them in the voting. Wise was the porcine Busse in deciding to not risk a public test of his popularity. The chosen candidates are good men and it is predicted that hereafter office seekers in Chicago will pay close attention to issues in which the people are interested and less to the desires of bosses and their party organizations.

SAYS MICHIGAN LEADS

Cashier B. A. Church of Gratiot County State Bank, St. Louis, Mich., was a visitor at La Salle Street National Bank, Chicago, the fore part of the week. Mr. Church told a representative of THE CHICAGO BANKER that the Gratiot county district leads the world in the quality of its beet sugar. The sugar-making industry there has reached a stage of perfection seldom attained, and this is due in part to skill and part to natural conditions. Farmers are making substantial progress since engaging in the cultivation of sugar beets.

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

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President—Manager

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FOURTH STREET NATIONAL BANK

OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,300,000.00

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CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits	\$ 2,000,000
Deposits	28,000,000

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F. A. CRANDALL	Vice-President	W. M. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

The Girard National Bank

OF PHILADELPHIA

Capital,	-	-	\$2,000,000.00
Surplus and Profits,	-	-	4,360,000.00
Resources	-	-	44,200,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MARCH 11, 1911

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10 CENTS A COPY

Banking Opinion

"The business of the country has been below normal for sixty days and the inevitable improvement has begun." This sentence uttered by President Joseph E. Otis of Western Trust and Savings Bank on his return from the East summarizes the commercial situation. It is an opinion that is generally indorsed in all sections of the country.

"I found that Eastern financial men were not disturbed by the rate decision," said Mr. Otis. "On the contrary, they were glad to have the matter settled. The ruling may have been a surprise to us and everybody, but it is not going to upset business. We had gotten down to bed-rock while waiting for the action of the commerce board; that is, trade in all lines was stagnant and below normal; but this country cannot go backward, nor can it stand still. It is now going forward.

"We already see a more active money market than for many weeks. The large cities have a lot of idle capital but that will gradually be brought into use with the assured revival in trade. There is a similar condition nearly every winter and it takes mercantile activity in the spring and crop moving in the summer and fall to bring business to its best. It cannot be said that there is an actual revival at present.

"There has been more stir in the line of railroad financing since the rate decision was rendered than there had been for six weeks before. The railroads may be depended on to keep pace with the development of the country. They may be depended on also to adjust their expenses to their earnings so that investors will not suffer. In the aggregate there will be a lot of railroad improvement.

"In New York as well as in Chicago there is a most amazing real estate development, and that tells its own story. It proves that capitalists are in a confident mood. There is nothing in the business outlook nor on the political horizon to alarm anybody.

"We are getting encouraging reports from the iron mills and from manufacturers generally, although New England factories still show a scarcity of orders. In view of a pretty fair jobbing trade in the West that merely signifies that buyers are cautious and are running with light stocks. Among wholesale houses everywhere the conditions are quite satisfactory."

SENATOR LORIMER AT BANK

Senator Lorimer is at his office in LaSalle Street National these days and will devote most of his time to business until congress assembles in April. He was accorded a magnificent reception on his return from Washington.

Use Idle Funds

Bankers of the interior are sending a great deal of money to Chicago for the purchase of commercial paper. In this way they get employment for some of their idle funds. The common quotation for commercial paper in this market is 4 to 4½ per cent. Business is moderate, the supply having been pretty well exhausted.

The New Ridgely National — Springfield



Those shown in this view
from left to right are:

Franklin Ridgely, Cashier
D. W. Smith, Vice-Pres.
George B. Helmle, Archi-
tect
J. H. Holbrook, Vice-Pres.
Ad. F. Deicken, Assistant
Cashier
Charles E. Hay, Director
Wm. Ridgely, President

Shows splendid new Ital-
ian marble banking room,
said to be one of the finest
in the state. The new
banking room is in a com-
manding location.



BANK ORGANIZER ARRESTED

Havre, Mont., March 8. —H. Z. Delaney of Havre has been arrested in Williston, N. D., in connection with the closing of the Farmers and Merchants Bank at Culbertson, Mont., last week. Delaney organized the bank, although he sold his interest in the institution some time ago. It is alleged he can be held responsible to the creditors. Nothing has been heard from

Lower Interest

Because of the great ease of the money market New York trust companies are finding it unprofitable to pay 3 per cent on their deposits, as many of them have been doing. Accordingly they have reduced their interest rate to 2½ per cent, and in some cases even to 2 per cent.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$10,000,000

Officers

GEORGE M. REYNOLDS - - - - President
RALPH VAN VECHTEN - - - - Vice-President
ALEX. ROBERTSON - - - - Vice-President
HERMAN WALDECK - - - - Vice-President
JOHN C. CRAFT - - - - Vice-President
JAMES R. CHAPMAN - - - - Vice-President
WM. T. BRUCKNER - - - - Vice-President
WM. G. SCHROEDER - - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - - Cashier
HARVEY C. VERNON - - - - Assistant Cashier
GEO. B. SMITH - - - - Assistant Cashier
WILBER HATTERY - - - - Assistant Cashier
H. ERSKINE SMITH - - - - Assistant Cashier
JOHN R. WASHBURN - - - - Assistant Cashier
RALPH C. WILSON - - - - Assistant Cashier
WILSON W. LAMPERT - - - - Assistant Cashier
DAN NORMAN - - - - Assistant Cashier
FRANK L. SHEPARD - - - - Auditor
H. LAWTON - - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

Corner Monroe and Clark Streets

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

181 LaSalle Street

CHICAGO

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Bayne, Ring & Company

Commercial Paper

Bankers

H. W. LADEWIG, Chicago Manager

228 La Salle Street

Chicago, Illinois

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital, - \$1,250,000

Deposits, \$10,000,000

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

OFFICERS

JOSEPH E. OTIS, President
WALTER H. WILSON, Vice-President
LAWRENCE NELSON, Vice-President
HARRY MOORE, Cashier
ADDISON CORNEAU, Asst. Cashier
LLOYD R. STEERE, Asst. Secretary
J. J. RAHLF, Mgr. Foreign Exchange Dept.
W. C. COOK, Vice-President
W. G. WALLING, Secretary
A. E. COEN, Asst. Cashier
LOUIS H. SCHROEDER, Mgr. Bond Dept.

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

FRANK G. BIGELOW passed through Chicago on Monday en route for his home in Milwaukee. Give him a helping hand. He is going to start all over again and we all wish him well. The American Bankers Association owes to Mr. Bigelow a little duty, owing to a spineless error of judgment which it committed in obliterating his name from the records. The quicker this is rectified the better. It ought to be done at Nashville.

FRANKLY, the courts probably would compel the association to publish complete records of its past officials, but a mistake having been made, who's big enough to take the lead in doing Mr. Bigelow, his family and his friends justice?

THE only word of interview given out by Mr. Bigelow on his trip back to his old home, was a brief written paragraph in Chicago. He wrote: "Mr. Walsh is under a great mental strain which at his age cannot endure long. Prolonging it will be fatal. I earnestly hope he may soon be set free."

WE give room here to a few paragraphs on saving money and using a bank. They are from a business getting circular sent out by J. M. Dinwiddie who for twenty years dunned the Iowa bankers for membership dues without ever repeating himself. He's got a knack at fetching paragraphs.

"WE are deeply interested in business building," writes the ex-secretary, "in satisfying our old depositors, in winning new ones, and in being of service to the public. To the end that we may, during this year, win much new business and many new depositors, we refer freely to the many who now are favoring us with their patronage and confidence. They will speak in the highest terms of the uniform courtesy extended them and the fidelity of our service.

"WE are just as deeply interested in and appreciate those to whom we refer, the great army of patrons of this bank who are so ready to certify to their satisfaction in having given us their patronage. And those who, for one reason or another, may have been using their savings or surplus money in paying for a home, or in other investment, but who are ready again to patronize a savings bank, either as a depository for savings, or for funds temporarily held for certain use, or for an opportune investment, and who wish to receive thereon in the meantime, will be again welcome at our counter.

"THOSE who are already on our books as customers are invited to make more frequent use of their deposit books. Do not carry your money around with you. Do not wait until you have a 'certain sum' to deposit, nor hold it because you may wish to use it in a 'day or two,' but bring it in, then when you want it, call on us for it, or advise us and we will send it to you. To every one, we give an invitation to make use, freely, of the conveniences provided for public use and comfort in

our new and enlarged banking rooms. Come and see us anyway. 4 per cent paid on deposits. Corner 3d Avenue and 3d Street."

MR. DINWIDDIE "invites" customers in a very frank and telling way. He condones some of the most frequent excuses offered over the counter and does it in advance. That's one good hit. In part the circular is suggestive that if they haven't been doing "the things that they ought to do," that now is a beginning point.

THEN, Mr. Dinwiddie, after a platitude about "doing a safe business—safe for the bank, safe for the depositor," gets in this telling tender of services. "The officers of this bank will gladly consult with, listen to and advise patrons in regard to investments, collections or other business matters, will help make settlements, close estates, prepare papers, collect rents, and serve the public in any way in which twenty-seven years' experience in the business in this county has made them capable."

THE Security Title Company of Nashville, Tenn., with an authorized capital stock of \$100,000 has taken steps to secure a charter of incorporation. The new company is being incorporated by a number of very prominent bankers and business men of this city. Among them are Jos. H. Thompson, M. A. Carroll, F. O. Watts, P. D. Houston, Eustace H. Hall, J. Harry Howe and others. A. M. Carroll will have the active management of the new company.

A BANK at Asheville, N. C., has gotten up a cattle and hog contest, prizes being arranged for the best native bred. October is the time set and interest is great. Bankers are beginning to see their future in things mundane. Counting interest isn't the only thing. Be Jim Hills in a way. Help build up the community.

R. H. MOORE, president since its foundation in 1889 of the DuBois (Pa.) National, celebrated his 80th birthday in good health on Tuesday last. He taught school, rafted logs, and walked back, in his youth.

W. L. MOYER, who a year ago was elected vice-president of the LaSalle Street National Bank, tendered his resignation last week and retired from the bank.—Exchange.

WE could have printed this item weeks ago and predicted it months ago. It is a case of Mr. Moyer being touted to death by his fool friends. All the "associate editors" out looking for advertising on 50 per cent commission jumped for "Billy," a known good fellow. They sold him space, directories, guides, junk and paid it up by printing in numerous ways that he was to "succeed Lorimer."

THAT wasn't all. Moyer's name led the whole list of officers and every gain was attributed to him. It was sickening and it did the business. No man could survive such an onslaught of foolish touting for business. Hereafter, Mr. Moyer, muzzle your clackers.

SUFFRAGET—Woman who sits right squarely in the middle of a double seat. A suffragist gives you one half of the full seat you are entitled to. Note the difference.—Extract from the new Woodruff Dictionary.

IT is said that this year the Stock Yards banks will present each stockman, who insists on carrying his money away with him, a pickpocket proof money belt with a time lock attachment. This will be hard on a certain thriving Halsted street industry and be hard on those who still have the Masonic Temple on sale.

PRESIDENT TAFT has adopted the sweat box method of getting action from Congress on his pet measures. The new congress will convene April 4th and remain in session until something gives way.

BY the way, when are the holders of Metropolitan "Bank" certificates of deposit going to hold their congress? Quite an army of them we are told and that hundreds of real estate titles have been tied up by the foolish trust which the public had in an uninspected, private "bank." Had the swindlers called themselves anything but a "bank" they couldn't have sold their credit for thirty cents in Dahomey currency nor have traded them for anything more desirable than a contagious disease.

CONFIDENCE in the word "bank" is a big asset. Bigger than some wise bankers guess. Lose it once and the cost will be apparent. It ought not to be possible to call pawn shops and swindlers' roosts "banks" nor for any one to advertise banking functions unless it be a real bank. The new law of Alabama and the laws they are trying to pass in Tennessee and Arkansas prevent all such frauds upon the public.

BANKERS associations in those states are working for the bill. In our enlightened north—well there is a difference. The banking function should be safeguarded. No use getting too far behind the times!

HARVEY J. LEGRIS, cashier of the First, at Kankakee, is "out" and Col. C. R. Miller is "in." Louis Drolet, a teller, will be assistant cashier under Col. Miller. Mr. Legris has not announced his business intentions. Col. Miller has been an insurance man.

MR. LEGRIS has been with the First for about ten years and so much of the bank's prosperity was ascribed to him that he was regarded as a fixture. However, his resignation is said to have been of the pressing kind, and had to be accepted.

ADVERTISING is the magnet that gets things to coming your way. Yes, even when its personal. Don't halloo down the well.

ELSEWHERE in this issue is a communication headed "Something to Think About." If you're not too busy read it. The writer has the knack of getting underneath the sur-

(Continued on page 31)



COLONIAL TRUST AND SAVINGS BANK

205 La Salle Street, CHICAGO

JACOB MORTENSON, Vice-President
R. C. KELLER, Vice-President and Cashier

LONDON CABELL ROSE,
President

EMIL STUEDLI, Assistant Cashier
W. F. DOGETT, Assistant Cashier

We offer a convenient and efficient service to those desiring a Chicago connection

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
R. M. MCKINNEY, Cashier
WM. B. LAVINIA, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier
WM. H. HURLEY, Asst. Cashier

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
C. T. JAFFRAY, Vice-President
A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President

D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

CORN EXCHANGE NATIONAL BANK . . OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President

CHARLES L. HUTCHINSON, Vice-President

FRANK W. SMITH, Cashier

D. A. MOULTON, Vice-President

JOHN C. NEELY, Secretary

CHAUNCEY J. BLAIR, Vice-President

J. E. MAASS, Assistant Cashier

B. C. SAMMONS, Vice-President

JAMES G. WAKEFIELD, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Charles H. Wacker
Clarence Buckingham
Edward A. Shedd
Edward B. Butler

Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

CHARLES G. DAWES, President	WILLIAM R. DAWES, Cashier
A. UHRLAUB, Vice-President	L. D. SKINNER, Assistant Cashier
E. F. MACK, Vice-President	WILLIAM W. GATES, Assistant Cashier
WILLIAM T. ABBOTT, Vice-President	JOHN W. THOMAS, Assistant Cashier
ALBERT G. MANG, Secretary	
MALCOLM McDOWELL, Assistant Secretary	
WILLIAM G. EDENS, Assistant Secretary	
JOHN L. LEHNHARD, Assistant Trust Officer	

DIRECTORS

A. J. EARLING, President Chicago, Milwaukee & St. Paul Ry. Co.
P. A. VALENTINE, Capitalist
ARTHUR DIXON, Pres. Arthur Dixon Transfer Company
CHARLES T. BOYNTON, Pickands, Brown & Co.
ALEXANDER H. REVELL, President Alexander H. Revell & Company

S. M. FELTON, Pres. Chicago Great Western Ry. Co.
T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT
CHARLES G. DAWES, ex-Comptroller of the Currency

Bond Sales Strengthen Money Market

Continued activity in the bond market has been an important factor in stimulating the Chicago money market this week. Bond dealings are on a gigantic scale since the railroads came into the market.

New financial projects of the large transportation companies will absorb considerable idle capital this spring. This influence is now added to the active real estate market and an improving mercantile and manufacturing demand for funds.

The money market rests on a five per cent basis and has a healthy tone. Five per cent bonds have been taken fast of late and have absorbed an extraordinary amount of capital. The same is true of real estate securities, which range from five to six per cent and are enjoying favor among local investors.

New Plans for Booth Company

National City Bank of New York has underwritten an issue of \$4,000,000 6 per cent fifteen-year debenture bonds of the Booth Fisheries Company. This clinches the financial plans of the big fishing concern and the reorganization will be effective within sixty days.

It is also stated officially that the company has closed its deal for the purchase of the Northern Fisheries Company of Alaska from the Morgan-Gugenheim interests.

All of the arrangements were closed up before President Frank C. Letts of the Booth Company sailed for Europe. Knowlton L. Ames, who has been associated with Mr. Letts in the negotiations on behalf of the company, is expected to leave New York immediately and probably will make public the details of the details of the company's plans when he returns to this city.

It is understood that the authorized issue of bonds by the Booth concern is \$5,000,000, but the remaining \$1,000,000 will be withheld for future uses.

The \$1,425,000 5 per cent debenture bonds of the company now outstanding will be retired at once for cash at par. The remainder of the proceeds from the sale of the new bonds, after the old issue has been retired, will be used for working capital and to pay for the Northern Fisheries company's plant and equipment.

The Alaska concern, which is a salmon fishing company, is said to have an earning power almost equal to that of the Booth company. While the terms are not stated, it is understood that the price paid for the property will approximate \$1,500,000.

It is stated that just as soon as the company's bonds can be taken up the preferred stock will begin paying its full rate of 6 per cent annual dividends. Neither the \$2,000,000 preferred or the \$5,000,000 common stocks will be disturbed under the readjustment of the company's finances.

Kuhn, Loeb & Co. and National City Bank of New York have purchased \$25,000,000 Chicago, Milwaukee & Puget Sound Railway Co. first mortgage 4% 40-year gold bonds, due 1949, unconditionally guaranteed by the Chicago, Milwaukee & St. Paul Railway Co.

Present plans of the St. Paul for additions

and better reverts to its own property and that of the Puget Sound will require the expenditure of \$12,000,000. Hence, in getting out an issue of bonds to the amount of \$25,000,000, St. Paul is looking ahead to the extent of perhaps two years.

Harris Trust in Big Deal

Harris Trust and Savings Bank and its eastern associates have just purchased \$5,000,000 first mortgage 20-year five per cent bonds, due March 1, 1931, of the Cleveland Railway Company, which, operating without competition, does the street railway business of the city of Cleveland, Ohio, serving a population of over 560,000. The purpose of the issue is to refund maturing indebtedness. The bonds are now secured (through the deposit of the first mortgage bonds) by a first lien on an important part of the property, and after March 1, 1913 will be secured by a direct first mortgage on the entire property. The city of Cleveland has put an appraisal value on the property of \$19,300,000, or substantially twice the bonded debt. The bank is bringing the bonds out in this market at par and interest. Holders of Cleveland Electric Railway Consolidated Mortgage five per cent bonds, due March 1, 1913, have the privilege of exchanging them for the new issue on even terms.

Quick Sale of Securities

J. P. Morgan & Co., First National and National City Bank have disposed of the entire issue of \$30,000,000 3-year 4½% notes of the New York Central & Hudson River Railroad Co. now pending before the up-state Public Service Commission. The notes were disposed of at a rate of 99¾ and interest. The applicants for these notes were allotted only a proportion of the amount applied for as the issue was oversubscribed before the termination of the term of application.

An offering of \$5,000,000 of St. Paul & Kansas City Short Line Railroad Co. first mortgage 4½ per cent bonds, half of which was allotted to London and the other half to New York and Chicago, was sold to investors a day before it was intended to close the subscription lists. Similarly, the entire block of \$12,500,000 of three-year collateral gold notes of the Erie Railroad which had been authorized by the up-state Public Service Commission and sold to J. P. Morgan & Co., was speedily taken by investors and the entire offering of \$50,000,000 of Central Pacific Railway Co.'s 4 per cent debenture bonds was purchased by Paris bankers, who, in turn, immediately began to offer these bonds to French investors with ample assurance that they will be taken up by the latter forthwith.

Announcement also was made of the authorization by the Michigan state railroad commission of the Pere Marquette's issue of \$8,000,000 of five-year 6 per cent notes and of their instant purchase by J. P. Morgan & Co., who already had acquired control of the Pere Mar-

quette from the Cincinnati, Hamilton & Dayton Railway Co.

Notes of Bond Dealings

An unexpected announcement coming immediately after the decision against the railroads was that of Kuhn, Loeb & Co. to the effect that they had placed in France \$50,000,000 Central Pacific Ry. 35-year 4 per cent bonds.

Commonwealth Edison's sharp advance to 120 brings the statement from President Insull that no important developments are pending, and that the strength is due to investment demand.

The Chicago, Burlington & Quincy Railroad has sold to a New York banking syndicate headed by First National, a block of \$8,000,000 general mortgage 4 per cent bonds, the proceeds to be used for general development purposes. The bonds are being offered at 97½. It is understood that a portion of the proceeds will be used to refund a maturing issue of Hannibal & St. Joseph 6's now due.

February has brought new securities to the grand total of \$216,000,000, which shows an increase of nearly \$120,000,000 over the same month a year ago. Almost the whole of this increase has come from the railroads.

If the improvement in steel operations which began late in January continues, the United States Steel Corporation may show net earnings of between \$24,000,000 and \$25,000,000 for the current quarter.

Harris, Forbes & Co. have purchased \$5,000,000 5% bonds of the new issue of \$35,000,000 recently authorized by the Cleveland Electric Railway, and will make an offering in the near future.

J. P. Morgan & Co. have purchased the entire issue of \$12,500,000 three year collateral gold notes of the Erie Railroad Co., recently authorized by the up-state Public Service Commission.

Northwestern's Dividend

The Chicago & Northwestern Railway Company has declared the regular quarterly dividend of 2 per cent on its preferred stock and a quarterly dividend of 1¾ per cent on its common stock. Heretofore dividends on the common stock were paid semiannually. The dividends are both payable April 1st to holders of record of March 13th.

Net profits of the American Sugar Company in 1910 were only a shade more than the 7 per cent dividends paid on its \$90,000,000 of common and preferred stocks. The deduction of \$807,967 for depreciation and the further payment of \$700,000 to the government in the settlement of the sugar weighing frauds, created a deficit of \$1,427,623 for the year.

Sales of the American Tobacco Company in 1910, as reported at the annual meeting yesterday, amounted to \$102,441,302, and the net earnings therefrom were stated at \$14,400,522. The company's income from other sources was sufficient to bring its total income for the year up to \$35,045,352, which was an increase of \$4,596,968 over the income in 1909.

Money, Banking and Finance from Chicago Viewpoint

Real estate mortgages and trust deeds are running upwards of two million dollars a week in Chicago. This is a half million a week higher than the figures of a year ago and bankers are viewing the situation with pleasure.

Real estate transfers in the city last week footed up \$3,425,000 and the mortgages \$2,279,000. When the amount being paid out on building is counted it shows an enormous amount of capital in use for real estate development. This steady absorption of otherwise idle money is a important feature of the banking business at present.

The purchase of the site for the new temple for the Medinah Temple Association from the estate of Lambert Tree at a consideration of more than \$100,000 was a notable transaction of the week. The site consists of a lot fronting 218 feet by 150 feet at Ontario, Cass, State and Ohio streets. Several sites were under consideration, but on account of the nearness of this one to the downtown district it was chosen. The site is at a convenient distance from the Indiana street cars and one-half block from the State Street line, making it easy of access to South and West Side members. This site is occupied by the Lambert Tree residence, which is to be torn down. The building will have a seating capacity of over 5,000, and besides being the largest mosque in the United States, will be the most beautiful. Plans for the new structure were approved recently. The entire cost is to be about \$500,000. A commercial block is to occupy the site of the Joseph Medill home, another landmark in that neighborhood.

Large Loans in Chicago

Noteworthy loans have been made in Chicago within a few days. Edward L. Bloom, who is erecting an apartment house at Woodlawn Avenue and Forty-Sixth Street, has secured \$62,500 for eight years at 5½ per cent.

The Northern Trust Company is trustee in a loan of \$30,000 at 5 per cent for five years to Elizabeth Ingals Meadowcroft and Frederick H. Meadowcroft on the property at 188-190 South Clark Street, east frontage, 40 by 90 feet, between Monroe and Adams streets.

The Catholic bishop of Chicago has given a trust deed to the Pullman Trust and Savings Bank to secure a loan of \$37,500, five years, at 5 per cent, on the property on State Street and the northeast corner of One Hundred and Seventeenth Street, west frontage, 82 by 180 feet.

He also has made a loan of \$45,000, five years, at 5 per cent, from the Northwestern Mutual Life Insurance Co., on the property on Macalister Place and the northeast corner of Lytle Street, south frontage, on a lot 209 by 140 feet.

The Hamilton Club of Chicago has filed a trust deed covering its recently acquired property on Dearborn Street, ninety-two feet south of Madison Street, where it will build its new club building. The deed secures a first mortgage gold bond issue of \$125,000 at 5 per cent to the Chicago Title and Trust Company for sixteen years and a second mortgage gold bond issue of \$150,000 at 6 per cent for ten years.

Railroads Have Big Program

It is noteworthy that the railroads have a big program of construction and improvement. In the aggregate the selling of bonds is enormous. This is the popular method of financing extensions and other new projects. This program will go forward regardless of the disappointment over freight rates. There may be less building than there would have been had the decisions been favorable but taken altogether the roads will go ahead. They are go-

ing to absorb a lot of loose capital in the next two or three weeks while they can get it on a four per cent basis. Were they not disposed to take a cheerful view of the dilemma confronting them there would be a demoralized stock market.

Financial men all over the country are discussing the freight rate decisions. It has given them the most interesting commercial topic of the new year. To say that the banking world was surprised at the ruling of the interstate commerce commission would be too mild. At first men were dumbfounded and alarmed. On reflection they allowed their feelings to become modified. Those who sympathize with the railroads are disappointed, but they have recovered from the early feeling of alarm.

The course of the stock market proves that the country is not frightened. Something of a break occurred immediately after the decisions were announced but since then all securities have been quite firmly held. The market is dull but strong. So much uncertainty exists in the minds of speculators as to what the railway companies will do that trading is neglected. Holders as a rule are confident and this confidence has maintained prices surprisingly. Nevertheless the amount of business is small.

Financial people here say that so long as the short interest is as large as it appears to be and banking interests continue optimistic on the business outlook, there will be nothing more than speculative breaks in stocks like that on the rate decisions, provided there is no disaster. Per contra, any good news would put the market up rapidly and materially. Steel securities are a sort of bell wether these days and they are as strong as anything in the list. The steel business is flourishing.

Steel officials regard the rate decisions rather calmly because they are accustomed to railroad retrenchment talk and believe the general situation is not any worse, but perhaps better since the decision.

Companies will not Fight

The Pennsylvania Railroad has notified the interstate commerce commission that it will make no appeal from the rate decisions and will immediately put into effect the rates as directed therein. That is to say, it withdraws its proposed advanced tariffs and retains the

rates now in effect. This course will undoubtedly be followed by all other roads.

George F. Baer, president of the Reading Company, has issued the following statement: "The decision of the interstate commerce commission is a great surprise. It has always seemed to me that the request of the railroads to be permitted to advance class rates was a most reasonable one in view of the enormous increase in expenses to which the railroads have been subjected."

Roswell Miller, chairman of the board of directors of the St. Paul Railroad, in commenting on the rate decisions, said:

"The interstate commerce commission will have to bear the burdens which will result from this decision and I am much mistaken if the burdens will be light. The first ones to suffer will be the commercial interests opposed to the advances, who pursue the penny-wise-pound-foolish policy."

On Thursday, before the rate decision was announced, St. Paul offered a 6 per cent increase to its telegraphers. Friday the offer was withdrawn.

The Illinois Central, in promising telegraphers some increase, said that while the rate decision was a body blow, the officials are not pessimistic on the general business outlook.

Mr. Hill's Observation

President Hill of the Great Northern, in commenting on the rate decisions and their effect upon improvement work, remarked of the New York money market that it "looked easy, but to discover its real condition you must try to get some of the money." That, with little amendment, may be said to have been true of the money markets since early in 1909, and it has had anything but a stimulating influence upon the investment markets and, therefore, upon railroads and other corporations seeking capital.

There are two possible methods of reconsideration of the railroad cases. One of these is through the medium of the newly created commerce court, which last week entered upon the performance of its functions under Chief Justice Knapp, who resigned as head of the interstate commerce commission to accept the newly created position, and the other through a rehearing by the interstate commerce commission itself.

WOULD HEAR GOV. WILSON

A strong effort will be made by the Maryland State Bankers Association, which will hold its annual convention in Deer Park, June 20-22, to induce Dr. Woodrow Wilson, Governor of New Jersey, to deliver the principal address. Hon. A. Piatt Andrew, assistant secretary of the treasury, and special assistant to the National Monetary Commission, is scheduled for an address dealing with the practical workings of the proposed reserve association proposition.

It is freely predicted that Waldo Newcomer, president of the National Exchange Bank, will be the next president of the Maryland State Bankers Association, as he is the present active vice-president, and it is customary to elect the vice-president to the presidency if he makes a strong officer. In addition to his banking interests, Mr. Newcomer is one of the powerful factors in the control of the Atlantic Coast Line and the Louisville and Nashville railroads.

G. A. Lyon, assistant cashier of the First National of Minneapolis, has gone into athletics. He has been elected treasurer of the new Bryn Mawr Tennis club.

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ILLINOIS BANKING NEWS

By C. C. Burford

The first ten days of March and especially the first five days have been days of activity for the Illinois banker. County recorders all over the state report an unprecedented amount of farm transfers and the total of "deals" will run into many millions. As a consequence recorders have been working overtime and the banker has been unusually busy because almost every farm transfer means borrowed money and the local banker is the man who must negotiate most of these loans. THE CHICAGO BANKER recently in the Wisconsin letter spoke about the lack of wisdom embodied in the old theory of never running into debt. The theory hardly holds goods in Illinois either, for practically all land owners borrowed to pay for their land. And practically all of them owe the ownership of their rich black Illinois land to the sympathetic assistance of the country banker.

In some counties as much as a million dollars worth of real estate transfers went "on record" in one day especially the first and second days of the month. McLean county reported \$900,000 on March first and Tazewell county recorded over a million dollars worth in one business day. Galesburg, Paris, Kankakee, and in fact all county seat cities report unusual activity. J. E. Parrish, president of the Edgar County National of Paris, said that in the first four days of March that the transfers totaled \$648,427 with one transfer of \$136,000. Another banker who has seen thirty-five years of active service in one community said that in number and amount the farm transfers were the heaviest in twenty years in that county.

Vanderlip in Springfield

Frank A. Vanderlip, president of the National City Bank of New York, stopped off in Springfield while traveling across Illinois en route to California. Mr. Vanderlip is a stockholder in the Ridgely National of Springfield and he held a conference with the officers and directors of the institution in the directors' room of the new bank building. A number of Springfield bankers called on Mr. Vanderlip. He was accompanied by Mrs. Vanderlip and Ames Higgins and C. V. Rich.

They were entertained by Mr. and Mrs. J. H. Holbrook and called on Governor and Mrs. Deneen. They left Springfield for St. Louis and thence to California by way of New Orleans. Mr. Vanderlip is a former Illinois man, his old home having been at Aurora. He was formerly financial editor of the Chicago Tribune and in 1897 went to Washington as assistant secretary of the treasury under Lyman J. Gage. In 1901 he went to the National City of New York as vice-president, succeeding to the presidency in 1909 when James Stillman resigned to become chairman of the board of directors of the bank.

Kankakee Cashier Resigns

H. J. Legris, cashier of the First National of Kankakee since July 12, 1902, has resigned to engage in other business. He will be succeeded by C. R. Miller. Louis Drolet, formerly teller, has been named assistant cashier. Mr. Drolet represented the president of the bank, Len Small, when the latter assumed charge of the Chicago subtreasury and assisted in the

counting of the cash of the subtreasury when Mr. Small went into office.

Mr. Legris is a member of an old and prominent family in Kankakee. He has been an active force in the building up of the highly prosperous business of the First National.

Stockholder Pays Bank Losses

Henry Block, a wealthy Peoria business man, and a heavy stockholder in the defunct Ties Smith Bank of Pekin, announced through his attorneys that he would voluntarily pay creditors of the Smith institution an additional dividend of 25 per cent. In the first settlement with creditors of the bank Mr. Block practically exhausted his entire personal fortune. More than \$100,000 will be paid by Mr. Block in this last transaction, making a total of 75 per cent paid to creditors.

Illinois Notes

Group Six, Illinois Bankers Association, will meet this year in May at Charleston. The exact day will be decided later. Previous meetings have been held at Champaign, Paris, and Danville. S. Y. Whitlock of Tuscola is the president of the group and John M. Glassco of Charleston is secretary and treasurer.

The First National of Kankakee uses the news item which appeared in THE CHICAGO BANKER last week about a Danville man sending in to the treasury department at Washington a bill of 1779 for redemption as an ad showing the value of compound interest. The Kankakee bank figures that if congress should allow this claim with 4 per cent compound interest that the owner of the bill would receive over \$9,000. The bank further states that "of course fortune does not smile on all of us like that but a simple weekly deposit of \$2.00 in this bank will grow to \$584.00 in five years."

Four men have been arrested at Savanna for counterfeiting nickels. They were taken to Freeport and placed in jail. Three of the men are charged with making the nickels and the fourth with passing them. A complete counterfeiter's outfit was found on an island in the Mississippi River opposite Savanna.

Yeggmen entered the vault of the Citizens National of Walnut, Bureau county, and after

securing \$4,000 in silver and currency attempted to escape. The noise made by their six charges of dynamite exploding awakened the citizens of the town and many of the latter filled the streets armed with weapons. Some of the stolen money was found along the streets. Large rewards have been offered for the arrest of the yeggmen.

A new state bank is being organized at Sidney, near Urbana. Most of the stock will be held by farmers living in the neighborhood.

Fire which destroyed the home of William Fillmore of Joliet burned up the savings of his lifetime which amounted to \$2,500. It was with difficulty that Fleming was persuaded to remain out of the burning house as the roof was falling in. The money was secreted in his home. Another case of being afraid of banks.

The Elgin City Banking Company reports loans and discounts of \$775,697 and deposits of \$1,316,846. The capital, surplus, and undivided profits amount to \$232,000. John Newman is the president and George W. Glos is the cashier.

Taylorville has defeated a bond issue of \$28,000 for the purpose of erecting a new high school building.

WILL LOCATE IN PORTLAND

H. Rostad, who has been cashier and manager of First National of Kelso, Wash., has resigned to engage in the banking business in Oregon. Mr. Rostad has been connected with the Kelso bank for two and a half years and made a splendid record for the bank as well as for himself, having increased the deposits from \$40,000 to as high as \$167,000 and created a surplus fund of \$5,000 besides paying the usual dividends. Mr. Rostad will make an extended trip through Southern California, New Mexico and Texas for the benefit of his daughter's health and return to Portland, where he intends to become connected with one of the large banks.

O. D. McKeehan, assistant cashier of the Citizens State Bank of Tekoa, Wash., has accepted a position with the Tekoa State Bank. He is succeeded by Riley Kalbfleisch, who was formerly assistant postmaster. Dolph Coolidge, cashier of the Tekoa State Bank, will remove to Spokane.

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Capital and Surplus, \$290,000.00
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ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,700,000

Deposits over - - - 22,500,000

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L. A. GODDARD, President	FRANK I. PACKARD, Asst. Cashier
JOHN R. LINDGREN, Vice-President	C. EDWARD CARLSON, Asst. Cashier
HENRY A. HAUGAN, Vice-President	SAMUEL E. KNECHT, Secretary
HENRY S. HENSCHEN, Cashier	WILLIAM C. MILLER, Asst. Secretary

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OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,430,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,057,000.00

OFFICERS

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Henry B. Bartow, Cashier	John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier	

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INDIANA BANKING NEWS

Postmaster Evans has decided to make application in the government for a postal savings bank for the Marion postoffice.

The Miami County Bank, at Amboy, Miami county, which suffered \$4,000 loss by fire, will occupy new quarters as soon as a building can be erected. The directors have decided to prepare plans at once for a fireproof building. The Amboy Mercantile Company, which suffered a loss of \$17,000, will dissolve and not reopen for business.

The American National Bank, the sixth bank for Hammond, has started in that city with a capital stock of \$100,000. Oscar A. Krinbill, district manager of the Chicago Telephone Company, is president, and E. S. Emerine, formerly cashier of the Citizens' German National Bank of Hammond, is cashier. A directorate of twelve was elected.

The Farmers' State Bank, of Matthews, was entered by robbers, the safe blown and full \$3,000 taken. A horse and buggy were stolen from a farmer near Matthews, and with this the robbers escaped with their loot. The robbers pried open a rear door of the bank building and presumably worked the combination of the safe. The money drawer was then blown open by a charge of nitroglycerin. The force of the explosion was such as to twist and bend the iron of the safe and yet only one person in Matthews heard it.

The farmer's automobile is "in bad" with the mutual insurance companies in the rural neighborhoods of Indiana. At the meet of the Mutual Insurance Companies' Union, it developed that the question of insurance for his motor car is giving the farmer more trouble than flat tires and contrary engines. Some of the mutual companies have put up the bars against this kind of insurance, and will not write policies on automobiles at any price.

South Bend banks announce the city is being flooded with counterfeit \$5 gold pieces and that

business men and citizens in general should be warned to exercise caution in accepting gold pieces of that denomination without examination, and should ascertain from whom they are receiving them. The counterfeit pieces bear the date of 1906; they are gold plated and are very good in appearance. They can be detected, however, with ordinary examination as they are somewhat lighter and a little larger and thicker than the genuine coins.



Farmers and Merchants National Bank Building, Wabash, Ind.

NATIONAL BANK CIRCULATION

Increase in national bank circulation for February was \$2,489,653; for twelve months, \$18,912,173.

BANK IN NEW HOME

The elegant new home of Farmers and Merchants National at Wabash, Ind., was thrown open to the public last week and was thronged with patrons and friends of this successful financial institution.

The building is acknowledged by the many bankers who have visited Wabash during its erection to be of the handsomest and most complete in the West. The material used is sawed buff Bedford stone.

Farmers and Merchants National was organized June 23, 1902, and has steadily grown in strength and popularity. The present officers are Charles S. Haas president, John M. Curtner and Frank W. Morse, vice-presidents and Otto G. Hill, cashier. The capital, surplus and profits of Farmers and Merchants National are \$136,000, its deposits over \$700,000 and its total resources \$950,000.

CONDITION OF THE TREASURY

Washington, March 4.—February closed with the condition of the treasury improved as compared with a month ago.

There was a surplus of \$58,000 for the month on all accounts, as against a deficiency of \$3,000,000 in January. The total deficit for the fiscal year changed very little and still stands at \$21,000,000 as compared with \$45,000,000 at a corresponding time a year ago. The balance in the general fund increased slightly to \$85,000,000 but the working balance dropped off about \$2,000,000 and the month closed with it at \$28,000,000.

EDWARDS HAS GLASS OFFICE

B. F. Edwards, president of National Bank of Commerce of St. Louis, has caused to be constructed a glass office, in which he receives visitors. Heretofore all the officers of the Commerce have had desks in the open, and often it was necessary to talk with bated breath. Mr. Edwards says he does not throw stones, so fears not living in his new glass house.

WILLIAM J. BURNS, President
Formerly U. S. Secret Service
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\$40,000,000.00



SAVINGS ARE SENT ABROAD

Figures given in cable dispatches from Vienna, which show that \$37,060,000 was sent to Hungary in 1910 by Austro-Hungarians living in the United States, are corroborated in part by the record in the Chicago postoffice.

One of Superintendent J. B. Schlossman's men in the money order department undertook to arrive at a rough estimate of the amount sent to Hungary.

"With no pretense of accuracy, I should say that the main office alone issued \$300,000 in money orders to Hungary last year," he said. "Besides this, of course, there are all the substations, whose business I know nothing about. Some of the stations in foreign sections of the city possibly issued as much again as that, while others, I believe, easily reached \$100,000, although I have no means of making anything but a wild guess.

"I think it is safe to state, however, that Hungary leads in the amount of money received from Chicago. Little of the latter money ever comes back."

Twenty-six million dollars were sent back home to Italy in 1910 by Italians living in this country, according to statistics compiled by postoffice authorities in New York. This is an increase of \$8,000,000 over 1909.

DRY GOODS OUTLOOK GOOD

Marshall Field & Co. say future business in wholesale dry goods and notions indicates confidence throughout the country and that prices are based on correct interpretation of business conditions. Orders booked for fall delivery total more than double the amount of a year ago. Easter being late probably accounts for decrease in immediate shipments.

Demand for printed drapery fabrics is heavier than has ever been known. Consumers from coast to coast are developing an appreciation for this merchandise and largely buying better quality of materials. Lace curtain sales for spring are exceptionally heavy and buyers

are in the market looking for novelties and placing numerous orders for immediate filling in purposes.

SUIT OVER WEDDING GIFTS

W. A. Sandoe, a banker at Marshalltown, Iowa, has sued the Northwestern railroad for \$500 which he alleges he is entitled to receive for wedding presents which he shipped to his daughter and which she never received. The daughter, Miss Fannie B. Sandoe was married to Walter J. Hanna of Gilroy, Cal. It was to Gilroy that the presents, mostly household goods were shipped.

SPARE TIRES AND THEIR CARE

Protection against weather and dust is essential if spare tires are to be kept in fit condition for possible emergencies. Rubber naturally deteriorates if exposed to the air. The old-time tire covers never afford adequate protection against weather conditions. Moreover, they are clumsy to handle. Such a thing as being able to quickly unbutton and unstrap one and take it from the tire is unknown.

The "Star" Tire and Tool Case is made of pressed steel, thus rendering it practically indestructible. It closes neatly, hence is absolutely dust proof, and almost air tight. And its convenience is far greater than that of any other like facility on the market. One minute, to open, close, and lock, the "Star" Case as opposed to twenty-five or thirty for any like accommodation. Nothing need be removed to detach the tires.

Tools, spare parts, inner tubes, and shoes can be carried in the "Star" Case—all given the best protection against the elements. And the "Star" Case weighs less and costs less than a set of tire irons, two covers, and a box—the minimum like capacity.

Thieves or "friends" cannot steal or "borrow" accessories kept in the "Star" Case, for strong locks make it thief proof as well as weather proof.

The "Star" Tire and Tool Case is far more attractive than the oldtime equipment of covered tires and tool box. At the factory it is given a prime coat, so that the individual owner may have it painted to match his machine. It fits any car, and becomes as much a part of it as the hood and fenders. It may be finished in Japan at the buyer's option.

The Merchant and Evans Company, of Philadelphia, are the patentees and manufacturers of the "Star" Tire and Tool Case. It was designed to meet the demand for a unified carrier of tires, tools, and spare parts, and its ever-increasing popularity testifies that it is indispensable to all motorists.

STATEMENT OF CONDITION OF THE National Produce Bank

OF CHICAGO

At the Close of Business March 7, 1911

RESOURCES.

Loans and Discounts.....	\$1,117,345.57
Other Bonds and Securities.....	417,129.41
United States Bonds.....	254,500.00
Furniture and Fixtures.....	10,500.00
Due from U. S. Treasurer.....	12,500.00
Cash and Due from Banks.....	656,680.77
	\$2,468,655.75

LIABILITIES.

Capital Stock.....	\$ 250,000.00
Surplus.....	50,000.00
Undivided Profits.....	37,026.30
Circulation.....	248,700.00
Reserve for Taxes.....	4,023.79
Deposits.....	1,878,905.66
	\$2,468,655.75

OFFICERS.

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President
RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier

DIRECTORS.

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JOHN W. LOW J. L. STACK
WALTER MCBROOM EDWARD R. DAVIS
SAMPSON ROGERS WM. P. WAGNER
CHARLES W. HIGLEY RALPH N. BALLOU
W. C. SHURTLEFF EDWIN L. WAGNER

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Custave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Custave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Hearings on the proposed bank guaranty bill and the bill relating to the segregation of savings deposits in Wisconsin having been completed the bankers of the state are now showing considerable interest in a large number of additional banking measures that are pending.

Tuesday of this week there was a hearing before the assembly committee on banks on a bill prohibiting loans to bank officers. Another bill closely related to the foregoing is so framed as to restrict loans to directors. Additional monthly meetings are also provided for. In a few banks it has been the custom to hold directors' meetings only twice a year. The proposed bill would require monthly meetings. This bill is designed to do away with one man banks.

Bill No. 266A proposes to do away with all loose leaf books and requires the use of bound books exclusively in all banks. It is claimed that in the past the use of loose leaf books has made it possible to defraud banks.

Five bills relating to fees for the examination of banks and providing for additional bank examiners and examinations have been introduced.

It is proposed to increase the payments for bank examination purposes from \$7,000 per year to \$21,000 annually. It is also planned to increase the staff of examiners. Four clerks would be employed instead of two as at present. It is proposed to make the salary of the commissioner of banking \$5,000 per year. He now receives \$4,000. Provision is also made

for increases in the salaries of the deputy bank examiners. It is proposed to examine each bank twice a year. There is now but one examination each year.

Another bill intended to safeguard depositors says that no person shall own stock in a bank unless he shall own tangible property (exempt from execution) within the state over and above debt, equal to or in excess of the amount of stock owned in the bank.

On Thursday of this week there was a hearing on a bill of particular interest to Milwaukee people being a measure authorizing the common council to provide for the deposit of city bonds with the state treasurer to secure savings deposits received by the city treasurer.

Bankers Oppose Guaranty Law

"Ninety-five per cent of the bankers of Wisconsin are opposed to the bank guaranty law now before the legislature or believe that action should be deferred until the next session to see how the law works out in other states where it is in effect—Oklahoma, Nebraska and Texas," is the statement made by Secretary George D. Bartlett of the Wisconsin Bankers Association before the legislators at Madison.

The bill which proposes the segregation of savings deposits and which provides that these shall be kept entirely separate from other banking funds and invested in bonds and mortgages is also meeting with strong opposition not only from the bankers but from the manufacturers of the state as well.

Should this bill become a law it will be especially hard upon the small communities as it is claimed that it will drive the manufacturing interests and business men who desire loans to other cities and to other sources to secure the necessary accommodation.

Retaliatory Moves

Still more banking legislation, it is reported, will be asked of this session of the Wisconsin legislature. Bills are to be presented within the next few days prohibiting:

1. State banks from using national banks as reserve banks.
2. The state of Wisconsin depositing any state funds in national banks.
3. State banks making deposits in national banks.

There is no question but that these bills will be bitterly fought.

There seems to be a general impression that the proposed bills are to some extent retaliatory measures in the fight which it is said the national banks are making against the state guaranty of state bank deposits bills.

The bills increasing the help in the state banking department so that two instead of one examination will be held each year will go through the legislature without opposition, it is said upon good authority.

Assess Marshall Field Estate

An effort will be made to collect an inheritance tax amounting to several hundred thousand dollars from the estate of the late Marshall Field, of Chicago.

The Field estate owns a small piece of prop-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wis.

ESTABLISHED 1847

Capital \$500,000 Surplus and Profits \$500,000

**Oldest Bank in the Northwest
Conservative Progressive**

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
H. J. PAINE, Asst. Cashier	F. A. KIRCHHOFF, Asst. Cashier
F. X. BODDEN, Mgr. Bond Department	G. A. RUESS, Mgr. South Side Branch
S. H. MARSHALL	J. H. TWEEDY, Jr.
R. N. McMYNN	GUSTAV REUSS C. C. YAWKEY

erty in Wisconsin, and to secure it the will was admitted to probate in this state. It was found, then, that between \$6,000,000 and \$7,000,000 worth of securities in Wisconsin corporations were held by the estate, the largest holdings being in the Northern Pacific, the Chicago and Northwestern, and the Chicago, Milwaukee and St. Paul railroads.

The state will make an effort to collect the inheritance tax claimed to be due on this estate.

Bank Swindler Goes to Penitentiary

One year in the state prison at Waupun is the sentence meted out to R. E. Lasley of Chicago, alias R. M. Hauser, for attempting to pass a forged check for \$4,000 on the Racine City Bank at Racine Junction. In attempting to pass the check Lasley posed as a representative of the John A. Davis Company of Chicago, where his brother-in-law is employed. He opened a bank account a week or so ago of \$50, saying that the Davis company was to establish a branch in that city. The following day he presented the \$4,000 draft, which he purported to be drawn on the Western Trust and Savings Company of Chicago by the Davis company. The cashier retained the check for identification, and Hauser made his escape being caught two days later in Chicago while watching the Davis residence.

What It would Cost Banks

Here are some interesting figures prepared by Secretary George D. Bartlett of the Wisconsin Bankers Association showing what the first assessment under the proposed guaranty bill would mean to some of the state banks: Second Ward Savings Bank, Milwaukee, \$100,000; Marshall and Ilsley Bank, Milwaukee, \$80,000; Bank of Sheboygan, \$20,000; German Bank of Sheboygan, \$28,000; Bank of Baraboo, \$12,700; Hyde and Britton Bank, Beloit, \$8,000; Bank of Burlington, \$6,750; Almond Portage Co. Bank, \$1,400; Green Lake State Bank, \$2,350; Wausau, Marathon Co. Bank, \$4,900; Maiden Rock Bank, \$1,550; La Crosse State Bank, \$10,400; Bank of Barron, \$2,225; Chippewa Falls N. W. State Bank, \$3,750; Merrill, Lincoln Co. Bank, \$8,000; Jefferson, Farmers and Merchants Bank, \$4,200.

Important Date in Wisconsin

Bankers throughout the state are putting a ring around the dates of July 12th and 13th on their calendars and it is certain that the attendance at the Seventeenth Annual Convention of

the Wisconsin Bankers Association to be held this year in Milwaukee on these dates will be a red letter occasion in the state banking history. The committee on arrangements and program is devoting considerable time to making their part of the convention a huge success and a number of surprises are said to be in store for all those who attend.

Association Now Has an Attorney

Secretary Bartlett has secured a number of innovations which have been widely copied by other state associations; viz.: the popular purchasing department and the mail order form of insurance, and now has added another in the form of an association attorney who will answer all questions preferred by members of the association pertaining to the banking business. The well known firm of Lines, Spooner, Ellis and Quarles have retained for this work and the standing of the firm insures legal advice of more than usual standard. No charge is made to members of the association for this service, though, of course, where office consultation or court attendance are necessary, the client must effect his own arrangements with the legal firm.

Carr on Legislative Committee

Owing to the absence from the state for the winter months, J. K. Ilsley asked to be relieved from the chairmanship of the Legislative Committee of the Wisconsin Bankers Association, a position which he has so ably and ac-

ceptably filled for several years. At the recent meeting of the executive council Fred J. Carr, cashier of the Bank of Hudson, and ex-president of the association was asked to fill the vacancy and has undertaken to assist the association and the committee.

New Trust Company in Wisconsin

The articles of incorporation of the new trust company to be started at Superior, Wis., will be filed at Madison within a few days. Practically all of the arrangements for the commencement of business have been completed. A location for the offices of the company have been tentatively agreed upon. This company will be capitalized at \$50,000 and will handle financial transactions connected with the realty business. H. S. Swanberg of Minneapolis, who is the moving spirit behind the new venture, stated recently that the new company would be ready for business within the next six or seven weeks.

Graettinger will Sell Securities

Martin A. Graettinger, former vice-president of the Wisconsin Bankers Association and until recently cashier of the Merchants and Manufacturers Bank of Milwaukee, has opened an investment securities office in the Majestic building in Milwaukee. Mr. Graettinger has a host of friends in the banking business throughout the state and success in his new venture is already assured.

Bank Plans to Build

In all probability Oshkosh will have a new bank building which will be erected during the summer months and completed before winter. The directors of the State Bank of Oshkosh are contemplating the erection of a stone building and have already discussed the definite plans. The building will be two stories high with a depth of 150 feet and frontage of 45 feet. It is planned to have a number of suites of offices on the second floor.

Henry Dehde, president of the bank says that the building when completed will rank second to none in the state.

Personal Notes of Interest

L. H. Stevens is the new president of the First National Bank of Fennimore; P. T. Stevens, Montford, and G. A. Stevens, Cassville, vice-presidents; C. H. Basford, cashier, and L. A. Clark, assistant cashier.

The directors of the State Bank of Oshkosh contemplate the erection of a two story building within the near future.

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G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, March 8.—St. Louis bankers report that the shipment of currency and gold to the interior has begun. Thus far the movement has been very light, but still comparatively liberal, as the open winter has advanced things unusually in an agricultural way, and spring farm operations are likely to be earlier this season than has been the case for several years. Thus far shipments have been confined almost entirely to the Southwest.

The movement of early crops from Texas has commenced in good earnest, and though that business is not directly financed from this center, it has a tendency to affect reserves of Southern banks at this center. The general outlook for crops is the most favorable in years, that is for this season. Throughout the Southwest this is especially true. There has been marked improvement in the wheat situation, and soil conditions are universally fine. In Oklahoma, for example, the recent state agricultural report showed a condition for the growing crop of 75 per cent, comparing with 36 per cent on February 1st. While the acreage of winter wheat shows no great increase, this is more than offset by increases in other crops. The reason for this is diversification, which, according to state stations, is greater this year than ever before. In view of the high prices for wheat during the last few years, this is considered rather remarkable, but it attributed to the heavy grain reserves in cities and held back by farmers. Total deposits in the St. Louis banks and trust companies and cash and exchange have decreased somewhat during the last two weeks, while there has been a small increase in the loans and discounts. General business shows improvement, as is indicated by the broader commercial demand, however, sales with certain branches are rather disappointing. This is true of the shoe trade, which have fallen below expectations thus far this year.

Subtreasury Site Selected

After several weeks of looking around and investigation, Charles D. Hilles, assistant secretary of the treasury, has finally selected property on which the United States Sub-Treasury building will be erected. The location is the southeast corner of Fourth and Chestnut streets. It is understood the price paid was \$300,000, the full amount of the appropriation. The deal was made through the Mercantile Trust Company. Part of the property was owned by the International Bank. Several other sites were considered, and one or two of them would have been better liked by local financiers, but they were held beyond the money available. Generally the

new location meets with approval. It is opposite the St. Louis Courthouse, and on the immediate edge of the financial district, being only a few blocks from the leading banks and trust companies.

American Credit Indemnity

A feature of the local stock market this week has been American Credit Indemnity, the shares of which had a sharp advance, under a much broader demand than has been noted since the reorganization of that company. From \$150 the price moved upward without check to \$175, and very little stock came out at the advance. The reason for the gain is chiefly due to the excellent showing made by the American Credit Indemnity in its last report. In this it was shown that the surplus increased \$229,261, and that the earnings and interest for the past year amounted to \$139,855, or 40 per cent on the capital stock. I. H. Lionberger is chairman of the board of the company, and E. M. Treat, president.

Boatmen's Bank Looks Great

The new fixtures of the Boatmen's Bank have been installed, and the banking room now is as beautiful and up to date as any in the West. The entire bank was made over, the improvements beginning shortly after the election of Edwards Whitaker as president, to succeed Rufus Lackland. Formerly the offices of the president and other officers were way back in the rear, while the new arrangement reverses this order, and places them immediately opposite the main entrance. But while the new fixtures are interesting, they are less so than

the experiment of Mr. Whitaker, who is paying 4 per cent on twelve-month certificates of deposit, and has been during all the recent period of easy money. Everyone knows Mr. Whitaker's acumen as a trader and feels sure he is making money, but wonder how he manages to do it.

Heavy Quarterly Disbursements

The quarterly dividends and interest disbursements on stocks and bonds listed on the St. Louis Stock Exchange will aggregate about \$4,000,000. This is a conservative estimate, and the payments by unlisted corporations will swell this amount from two to three times. Banks and trust companies will pay out about \$1,500,000, while tractions and miscellaneous corporations will disburse \$2,329,072. The reduction as compared with a year ago is due to the suspension of the United Railways preferred stock dividend, but this is partially made up by increases elsewhere, and new declarations.

Oklahoma Banks Consolidate

The Oklahoma City National and Central Reserve Bank of Oklahoma City have consolidated, the merged institution being known as the Oklahoma City National. This deal, which has been pending for several weeks, is one of the most important bank amalgamations which has taken place in the new state. The size of the banks involved and prominence of the officials makes it a notable event in Oklahoma's banking history. Officers of the institution are H. W. Williams, president; A. M. Young, vice-president; Don Lacy, vice-president and cashier; C. H. Everest, vice-president; W. M. Bonner, cashier; Homer Eiler, E. S. Vaught, John B. Doolin, J. T. Strum, H. W. Penticost, J. W. Gallagher, W. I. Gerbert, R. K. Woten, J. N. Dodson and J. A. Strine, directors. E. B. Cockrell, state bank commissioner, who was vice-president of the Central Reserve, has resigned from the institution to become president of the Continental Trust Company, now in process of organization. The consolidated bank has a capital and surplus of \$550,000 and deposits aggregating about \$2,000,000.

FARRELL VISITS ST. LOUIS

Vice-President J. Fletcher Farrell of Fort Dearborn National has been on a visit to St. Louis this week, combining business with pleasure.

Vice-President A. M. Bull has been with Phenix National 49 years.

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or insurance company, send for me. I will make preliminary negotiations secretly and diplomatically. Everything confidential in my office. All negotiations conducted personally. Nothing intrusted to the mail.

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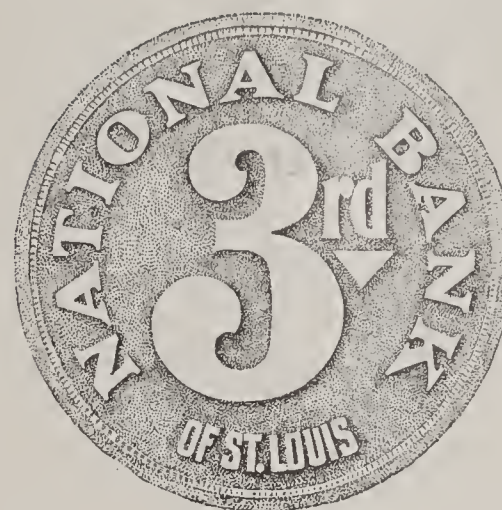
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\$2,000,000

Surplus
\$2,000,000

Deposits
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C. H. HUTTIG, President

W. B. WELLS, Vice-Pres.

J. R. COOKE, Asst. Cash.

R. S. HAWES, Asst. Cash.

G. W. GALBREATH, Cash.

D'A. P. COOKE, Asst. Cash.

H. HAILL, Asst. Cash.

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

For the first time in many months the larger banks of the Central West are making investments in outside paper. "The cause of this condition," said Walton H. Holmes, president of the Pioneer Trust Company of Kansas City, "is that our banks are full of money and there is practically no demand among local patrons. Rates are low, of course, but it will be only a short time before the regular borrowers begin to come in. Along about April 1st the cattle feeders start buying in the South and from then on I look for a stronger demand with a stiffening of rates in this territory. Weather conditions in the agricultural and grazing country have improved wonderfully within the past few weeks and everybody is feeling the effects of this change. Banking conditions are satisfactory notwithstanding the slackening of business which always comes to us at this season of the year.

Large Sales of Stocks

All records for stock sales in Oklahoma were broken last week when \$125,000 worth of capital stock of the Continental Trust Company of Oklahoma City was disposed of in one day. This new concern will be capitalized for \$500,000. One hundred thousand dollars' worth of the stock was sold to F. B. Cockrell, formerly vice-president of the Central Reserve Bank of Oklahoma City and state bank commissioner; his brother, E. P. Cockrell, of Chicago, assistant general passenger agent of the Monon route and director of the National Life Insurance Company and others outside of the state. It is reported that F. B. Cockrell will be president of the Continental Company. A new building to be at least ten stories in height is contemplated as a home for the company in Oklahoma City.

Doubt as to Guaranty Law

At no time since the deposit guaranty law went into effect in Oklahoma has there been so much uncertainty and doubt regarding its benefits as at this time. When the recent decision of the United States supreme court sustained its constitutionality, the guaranty fund

in Oklahoma was practically depleted. Many state banks had refused to participate in the guaranty arrangement until forced to do so. Various rumors have placed the deficit of the fund at from \$700,000 to \$1,200,000. Until the report of the accountants is completed no more definite information can be secured.

One of the first acts of the new Oklahoma banking board was to assess a levy of one per cent on the individual deposits of all state banks to re-establish the guaranty fund. It is estimated that this levy will place \$500,000 in the fund at once. The peculiarity of the assessment comes from the fact that if a bank possesses a capital stock of \$10,000 and has deposits to the amount of \$100,000, the levy which is against the deposits takes ten per cent, or one tenth, of the capital stock, which for the bank to pay would impair the capital stock and make an assessment on the stockholders necessary or force the bank into liquidation.

Many banks all over Oklahoma have announced their intention of resisting this assessment or becoming nationalized in order to escape the tax. Among the larger state institutions which are said to be considering the latter course are the Bank of Commerce and the Bank of Oklahoma of Tulsa; the Producers State Bank and the State and Trust Company of Nowata and both banks at Claremore which are controlled by G. D. Davis, head of the Oklahoma State Bankers Association.

Bank Anniversary

March 1st was a gala day for the officers and employees of the First National Bank of Kansas City, for it was the 25th birthday of that institution and the anniversary was marked by several interesting incidents. The first was the announcement that the capital stock would be increased from \$500,000 to \$1,000,000. The stockholders were given a 100 per cent dividend in stock. The employees were all remembered by substantial gifts. At 4 o'clock the employees were called into the executive offices of the banks where each was presented with a

sum of money equal to 1 per cent of his or her annual salary for each year of service. The negro porter, Richard Allen, received a 25 per cent dividend on his annual salary, having been with the bank since the day it opened for business. After banking hours other bankers from all over the city, as well as customers of the bank called with felicitations. The desks of the officers were banked in flowers.

The First National Bank of Kansas City was organized March 1, 1886, and opened for business in the old "Junction" building at Ninth and Delaware streets. Of the board of directors at that time, two members remain. They are Colonel J. F. Richards and J. S. Loose. In January, 1887, E. F. Swinney was elected cashier and in 1908 C. G. Hutcheson was made cashier and H. T. Abernathy, vice-president. Mr. Swinney became president at that time and occupies that position to-day. The First National Bank now occupies a beautiful marble building at Tenth Street and Baltimore Avenue and is one of the soundest financial institutions in the Central West.

General Banking Notes

The American Title and Trust Company is the name of a new financial concern which will have offices in Oklahoma City and Muskogee, Okla. It is to have a capital of \$500,000 and it is said that a number of St. Louis and Chicago capitalists are behind it.

Announcement has been made of the promotion of T. N. Wells, paying teller of the American National Bank of Oklahoma City, to be assistant cashier of that institution.

On March 1st the Oklahoma State Bank of Chickasha, Okla., was reorganized into the Oklahoma National Bank. The capital stock was increased from \$50,000 to \$100,000. There was no material change in the personnel of the management.

Governor Cruce of Oklahoma has appointed J. C. McClellan of Oklahoma City and W. G. Dennis, also of Oklahoma City, to be his associates on the state banking board. One of the

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Assistant Cashier

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HENRY P. DAVISON
Chairman Executive Com.



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Fort Dearborn National Bank

Chicago, Illinois



UNITED STATES DEPOSITARY

Capital - - \$1,500,000
Surplus and Profits 500,000
Deposits - - 21,000,000

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places was offered to W. E. Rowsey of Muskogee, but it was declined.

A change in ownership of the Winfield (Kan.) National Bank has been reported. W. E. Otis, the president, sold the controlling interest to James L. Orton and Henry E. Kibbs, who have been connected with the bank for many years.

The Bank of Hillsdale at Coldwater, Okla., was destroyed by fire last week.

Both bills before the Missouri legislature providing for a state bank deposit guaranty fund have been killed in committee and there is no chance for any legislation along this line at the present session.

C. L. Brokaw, cashier of the Commercial National Bank of Kansas City, lectured before the students of the Kansas City University one day last week on "Navajo Missions in Arizona."

Among the visitors in the Kansas City financial district last week were: M. Stillwell, president of the Union National Bank of Bartlesville, Okla.; C. L. Goodale, president of the Farmers' and Merchants' Bank of Collinsville, Okla.; J. M. Wilcoxson, president of the Wilcoxson Banking Company, Carrollton, Mo.; T. M. Walker, president of the Atchison Savings Bank, Atchison, Kan.; Fred Spearman, Tyrone, Okla.; J. T. Powell, Waterville, Kan.; W. W. Frye, president of the Patrons' Bank of Olathe, Kan.; A. H. Waite, president of the Joplin National Bank, Joplin, Mo.; M. R. Sturtevant, president the Central National Bank of St. Louis; G. R. Baker of the Commerce National, St. Louis.

Walton H. Holmes, president of the Pioneer Trust Company of Kansas City, has returned from a two weeks' rest upon a sugar plantation in Louisiana.

The First State and the First National banks of Norman, Okla., have combined under the name of the First National Bank of Norman.

GETS CLEARING HOUSE HONOR

Walker Hill, president of the Mechanics-American National, has been elected a member of the Committee of Management of the St. Louis Clearing-house Association, taking the place of the late W. G. Garrels.

FORT DEARBORN STOCK

Directors of Fort Dearborn National Bank voted Tuesday to recommend to the stockholders an increase of \$500,000 in the capital of the bank to a total of \$2,000,000. A meeting of the stockholders to pass upon the proposition will be held about April 10th.

It is the intention to offer the new stock at \$125 a share to the old holders in the ratio of one new share for every three of the present issue. While it was not announced that this capital increase is to be in connection with the formation of a trust company, it is understood to be so. The national bank already has a charter for the Fort Dearborn Trust and Savings Bank. It is understood that the trust company will be started soon after the removal of the Fort Dearborn to the American Trust Building, of which it will get possession April 1st, the building having been purchased recently by Fort Dearborn interests. Fort Dearborn has \$21,000,000 deposits, and \$11,000,000 of loans. The surplus and undivided profits are about \$425,000.

The directors declared the regular quarterly dividend of 2 per cent, payable March 31st.

CHICAGO UNLISTED SECURITIES

Among the more active unlisted securities quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK
American Chicle (com).....	230	234
American Chicle (pfd).....	101½	104
Am. Fork & Hoe Co. (com).....	124½	126
Am. Fork & Hoe Co. (pfd).....	124	127
American Laundry (com).....	36½	40
American Laundry (pfd).....	107	110½
Am. Light & Tract. (com).....	286	290
*Am. Light & Tract. (pfd).....	104	106
Amer. Type Fd'rs (com).....	49	50½
Amer. Type Fd'rs (pfd).....	99½	102
Beatrice Creamery (com).....	87	88½
*Beatrice Creamery (pfd).....	87½	89
Bordens Cond Milk (com).....	119½	121½
Bordens Cond Milk (pfd).....	107	109
*Butler Bros.	284	290
Cities Service (com).....	69	71
Cities Service (pfd).....	77	80
Congress Hotel (com).....	87	90
Congress Hotel (pfd).....	65	71
Creamery Package Co.....	102½	103½
Cumberland Tel. Co.....	148	150
Diamond Rubber Co.....	256	258
Elgin National Watch.....	155	158
First State Pawnors.....	110	116
General Motors (com).....	39½	40½
General Motors (pfd).....	74	75
National Grocer (com).....	29½	31½
National Grocer (pfd).....	80	82
National Safe Deposit Co.....	132	138
N. W. Gas Lt. & Coke Co.....	90	
North Shore Electric Co.....	81½	82½
Northwestern Yeast Co.....	374	382
Union Carbide Co.....	109	109½
U. S. Gypsum (com).....	9½	11½
U. S. Gypsum (pfd).....	74	76½
U. S. Motor (com).....	37½	38½
*U. S. Motor (pfd).....	69½	71
Western Electric Co.....	210	220

Miscellaneous Bonds

Auditorium 5's (1929).....		95
Auto Elec 1st 6's (1928).....	76	77
Chicago Athletic Club 5's.....	92½	94
Chicago & Milwaukee Elec 5's (1922)....	50	
Chicago Sub'y 1st 5's (1928).....	25½	26½
Cicero Gas 5's (1932).....	93½	95½
Congress Hotel 1st 5's.....	93½	95½
Dering Coal 5's (1955).....	30	33
Emp Dist Elec 5's (1949).....	79	81
Ill. Athletic Club 5½'s.....	90½	91½
Interstate T. & T. 5's.....	44	47½
La Salle Hotel Co. 6's.....	98½	99½
North Shore Elec 5's (1940).....	97½	98½
N. W. Gas Light & Coke 5's.....	98½	99½

*Ex. Dividend.

WIRE PRICES ADVANCED

On Monday last all wire products were advanced \$1 per ton, making nails \$1.80 per keg in carload lots to jobbers.

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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

KANSAS CITY CHAPTER

At the Kansas City chapter meeting of the American Institute of Banking, March 2d, the principal address was made by H. P. Wright, of the H. P. Wright Investment Company of Kansas City. Mr. Wright has been identified with the stocks and bonds business for many years and his address was upon this class of investments. The Kansas City Chapter has a membership of 600 employees of Kansas City banks and Mr. Wright faced nearly all the members when he arose to talk. He began by observing that the history of civilization has been a history of stocks and bonds. "Business has developed, nations have expanded, the great enterprises of the world have succeeded," said Mr. Wright, "only as a large number of people have united in an orderly and legal way and combined their financial and physical strength to accomplish those things which would be impossible when operating singly as individuals."

Mr. Wright observed that he had been one of many people who had believed that corporations were the creations of the past one or two centuries, but that his study had shown him that corporations had their origin in Rome in the days of the Roman republic, the controlling idea being that of perpetuity. "The man who invented corporations," went on Mr. Wright, "although his name is forgotten, was a greater inventor than Edison or Franklin or Stephenson. The development of his invention has been amazing. It has covered alike the world's greatest progress and its greatest rascality. It has developed the organization and government of cities, states and nations as well as those commercial organizations which we call stock companies."

In an exhaustive way Mr. Wright went into the local history of municipal bonds and traced the growth of confidence and investment in municipal securities for the past quarter of a century. Getting into the more general subjects of stocks and bonds the speaker continued: "The development of this business has been so swift that no one mind can compass the subject in all its bearings. The study of bonds has become like medicine or law, a profession more than a business. The tendency of everything in corporation lines is toward concentration and enlargement, and as a result many of our large corporations are becoming of a size where it is absolutely impossible for the mind to grasp them. There are many who take this rapid growth as an indication of some unnatural or iniquitous tendency. This is not correct. Growth is perfectly natural to anything that is alive. The time will never come when the man who is the directing head of a great business corporation will not be searching with all his power for additional lines of business to bring under the influence of his organization. The minute he quits pulling someone else takes his place. As this process has gone on new and unexpected financing has become necessary. No two companies have the same experience, and no two can be financed on the same plan. Each condition calls for its own peculiar 'set up' as the financial doctors call it. A plan that to-day seems adequate and sufficiently far reaching, will next year look like a nightmare and perhaps be found to needlessly tie up assets so that the necessary financing will be tremendously ex-

pensive." Mr. Wright closed his address by giving a number of instances of financing, successes and failures with studious analysis of the fundamental causes contributing to each result. He also explained the system of marketing stocks and bonds.

TO REGULATE IOWA PRIVATE BANKS

Des Moines, Ia., March 7.—Control, regulation and examination of private banks of Iowa are provisions of a bill which Senator Bennett, of Adams, has prepared for introduction in the legislature. This proposed law will provide for the governing of the private banks under the same regulations and rules as now govern the state and savings banks of the state. There is no law to govern private banks in Iowa, Senator Bennett says, and that the state could have some knowledge of their business.

Members of the legislature are stirred up over the late banking fiasco, which the lax laws of Iowa have made possible, and of too frequent occurrence. The daily papers have contained the announcement of the wrecking of the Bank of Kelley, of which E. J. Penfield was president. The institution is a private one and Penfield has absconded. The report was made that he was apprehended at Watertown, S. D., and then this report was denied. The reason for the disaster is supposed to be heavy speculations in lands—the same old story of spreading out so thin that when the pinch came, it could not be covered. When the rumor became circulated of Penfield's disappearance, a run started at once, upon the bank, and they found only about \$400 to pay the depositors. The balance, some fifty or sixty thousand dollars, had disappeared. The general belief is that Penfield did not get away with the money, but that it was lost in foolish speculation before the smash came. Just before leaving Des Moines, Penfield purchased (on time) a new light gray suit, dark oxford gray silk lined overcoat, bearing "Men's Fashion Shop" label on inside coat pocket, black derby hat, black grip and new tan suit case. He is described as five feet seven inches tall, heavy build, weight about 175 pounds, medium dark complexion, small brown eyes, set close together, smooth face. Has blue serge suit with him. This case is almost as rotten as the blow-up recently in Illinois of the Butler chain of private banks near Peoria, and the Cosmopolitan scandal in Chicago over certificates of deposit.

BIG LOCOMOTIVE ORDER

Pittsburgh, March 9.—Orders are soon to be placed for fifty-five new locomotives for the Southern Railway Company. This is one of the largest orders for locomotives officially announced this year. It is valued at over \$1,000,000.

J. A. Oace of St. Paul has been appointed a national bank examiner.

F. E. FARRELL Established 1864 E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers
Successors to First National Bank
JACKSONVILLE, ILL.
ACCOUNTS AND COLLECTIONS SOLICITED

STORE BANK HAS \$100,000 CAPITAL

St. Louis, March 7.—The new Scruggs, Vandervoort & Barney Bank, which takes over the assets and deposits of the old bank of the same name was incorporated yesterday, with a capital stock of \$100,000, fully paid. The shares are held as follows: Melville L. Wilkinson, 992 shares; Robert Johnston, John R. Towler, Herbert E. Ecker and Charles G. Tomerlin, two shares each. The reorganization is a result of the purchase of the Scruggs department store by the H. B. Claflin Company, which took over the bank with the store. The old bank was a private bank, with \$5,000 capital, while the new one is incorporated as a state bank under the Missouri laws. It belongs to the clearing house.

Mr. Wilkinson, who is president of the Scruggs Company, will succeed Hanford Crawford as the bank's president. Mr. Ecker will continue as cashier and the other incorporators continue as directors. D. R. Calhoun leaves the board.

The bank is unique among St. Louis institutions in that it makes no loans. It deposits its funds in other banks or invests the money in bonds. According to the directors, its assets are of such a character that they can be converted into cash on an hour's notice.

The bank statement of January 7th shows the bank had \$235,556 deposits, a surplus of \$7,008, cash and exchange \$114,000, bonds \$123,667, and loans of \$9,835.

NORTON AT NEW POST APRIL 5

Official announcement is made that Chas. D. Norton, secretary to President Taft, will on April 5th take up his new duties as vice-president of the First National Bank of New York. Chas. D. Hilles, assistant secretary of the treasury, will succeed Mr. Norton on April 4th as secretary to the President.

TELLS OF IOWA LAND PRICES

H. W. Huttig, president of the Huttig Manufacturing Co., of Muscatine, was at LaSalle Street National Wednesday congratulating Senator Lorimer and incidentally telling of business conditions in Iowa. Mr. Huttig declares the state is highly prosperous despite the fact that the holding of land in large bodies has reduced the rural population. He does not agree with those who claim that land values have fallen. Iowa's large crops and diversity of interests are an assurance that the state cannot go backward.

DIVIDENDS ARE DECLARED

The directors of Colonial Trust & Savings Bank have declared the twenty-eighth quarterly dividend of 2 per cent and an extra dividend of ½ of 1 per cent, payable April 1st to stockholders of record March 25th.

The directors of North Avenue State Bank have declared the twelfth quarterly dividend of 1¾ per cent, payable March 1st to stockholders of record March 25th.

WISCONSIN BANKER A VISITOR

W. Schutte, cashier of Schutte and Quilling Bank, Menomonie, Wis., was a visitor at First National Tuesday. He gave an encouraging report on business conditions in his section.

Editorial Comment

IMPROVING BANK LEGISLATION

The splendid example set by the state of Alabama, assisted by the Alabama Bankers Association, in adopting the most modern of banking bills, is having an immediate effect upon the rest of the country. The new Alabama law had attached to it an emergency clause whereby it goes into effect thirty days after the governor's signature was attached. The splendid position taken by the state association in holding its annual convention at a time when the state legislature was in session has inspired the Arkansas Bankers Association to renewed efforts to have a new law passed for that state. The Arkansas association has changed the place of its meeting from Eureka Springs to Little Rock, the state capital, and has advanced the dates for the convention to April 6th and 7th. This has been done with the intention of putting the state association in a position to assist in bringing to a passage the Denton-Turner banking bill which it is so anxious to have passed. It is expected that this plan will prove quite as effective in Arkansas as it did in Alabama and the bill which the Arkansas bankers wish to have passed is practically a duplicate of the one passed in Alabama. At the present rate, all of the southern states soon will have modern banking departments going, with all forms of banking under competent state supervision and inspection.

After years of conflict with private bankers and proprietors of chains-of-banks, Tennessee secured the passage of a new banking act two years ago which has worked so well that the legislature now has up for passage a still more adequate banking law based almost entirely upon the act recently passed in Alabama. It has followed the Minnesota precedent in that the governor is obliged to select his superintendent of banking from a list of names first endorsed by the state bank section of the Tennessee Bankers Association. After this selection has been made a confirmation by the senate is made mandatory. The law provides that banking commissioners shall have had at least five years' experience as an executive officer in solvent and reputable banks in the state. This largely will take the department out of politics and is a good example set to some of our northern neighbors who have first class banking laws but whose banking commissioners very often are mere political appointments with no banking experience or other business qualifications.

The proposed Tennessee act places the private or individual banker or firm under the same supervision and restrictions imposed upon incorporated banks. They can begin business only as other banks begin business,—by first securing the permission of the banking department. Private bankers will be subjected to examination and must keep a fixed capital unimpaired. Sixty days is the limit in which a bank

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

or individual banker has in which to make good an impaired capital. The new banking superintendent will have authority of law to compel any bank, firm, or individual banker to correct any matter in the conduct of the affairs of the bank which in his opinion is unsafe. Any bank, firm, or individual banker who refuses to disclose his books upon demand will find his bank taken over into the possession of the bank commissioner or one of his deputies. Uniform reports are to be required from individual banks the same as from firms or incorporated banks. These must be transmitted to the banking department promptly. Before any private banker, firm, or incorporation shall be entitled to a license to do a banking business, proposals shall be printed fully in the local newspapers. This is to give notice to any who may have objection or who may know of some reason why the banking enterprise should not be permitted to start. All of these and many other safeguards are to be thrown around the business of banking in the proposed act, and stringent penalties with penitentiary sentences are to be provided for all material violations. The general provisions of the new laws proposed for Arkansas and Tennessee are in conformity with the new laws which have been adopted in Alabama, Wisconsin, Minnesota, and other states. Now that it is becoming the usual thing to have a modern banking law, it is suggested that the legislatures of Illinois and Iowa fall into line and do the proper thing.

BUSINESS PEOPLE CONFIDENT

The American people refuse to take alarm at anything that now appears on the commercial horizon. No amount of political uncertainty and no degree of railroad pessimism can upset the financial equilibrium. The country is sound and the people know it. That's about all there is to the story. With an abundance of money awaiting commercial use, agriculture thriving and spring activity coming on all classes are in a comfortable and cheerful frame of mind. There is nothing to build a hard times' theory on and it seems to be beyond the power of any party or faction to disturb public confidence.

STATE CONVENTIONS CALLED

The South Dakota convention will meet June 7th and 8th at Sioux Falls. The Iowa convention will meet at Mason City, June 15th and 16th.

AIMED AT TITLE INSURANCE COMPANIES

A bill has been introduced at Springfield, of quite uncertain origin, which will require title guaranty companies in Illinois to carry a deposit with the state auditor before issuing policies. Some say the bill is "aimed at" the two well known Chicago institutions which insure titles to real property. Equally might it be said to favor them as an effective measure to keep rivals out of the field, who might not be able to keep up such a large deposit. The bill is general and requires trust companies before issuing any contract or policy to deposit with the state auditor \$200,000, if they are Chicago concerns, or \$50,000 if they are in cities of less than 100,000 population. The deposit is for the protection of anyone entitled to recover under any guaranty policy.

The deposit is to consist of United States bonds, municipal or county bonds, or mortgages on improved real estate. The securities are to be subject to sale and transfer by the state auditor upon order of the courts.

Any company that retires from business is to get its securities back upon furnishing the auditor with evidence that its obligations are all satisfied. Whenever the annual report of a company shows that it has a business exceeding ten times the amount of its deposit it is required to increase the deposit to \$500,000 in cities of 100,000 population and to \$125,000 in smaller cities.

There will be some discussion no doubt, to show who really is "aimed at" but if the bill will make guaranty policies any safer it ought to become a law. It is good insurance custom to have companies in all lines of insurance do, what most of them now do, put up a guaranty fund.

FEDERAL CONTROL OF TRADE

A new and surprising test is to be made of the government's power to control trade, or at least to break up a monopoly. Federal officials last week began suit under the Sherman act against thirty-four electrical companies, including the General Electric and the Westinghouse Companies, alleging a combination in restraint of trade.

According to the government's petition the defendant companies are banded together in a conspiracy and have already gained control of 97 per cent of the country's supply of electric lights. The trust is alleged to have had its origin soon after 1904, the year in which the United States patents on carbon filament incandescent lamps expired.

SOUTHERN BANKER HERE

Cashier Ralph W. Brown of Holston National Bank, Knoxville, Tenn., was a visitor at Fort Dearborn National Tuesday. Mr. Brown gave the usual optimistic account of southern progress.

Service

¶ A particular phase of our service is the fact that we have each Department under the direct supervision of an officer. We believe in specialization for the best results.

Collection Department

¶ This Department, under the supervision of an officer, consists of a manager, five clerks and fifteen messengers.

¶ Having the largest list of correspondents of any bank in the Northwest gives us exceptional facilities for handling out-of-town collections.

¶ Special attention given to Minneapolis grain drafts received from correspondents. These are collected and checks given in payment are put through the Clearing House the same day items are received.

¶ All matters entrusted to our care are handled as directly and expeditiously as possible.

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Convention Dates

SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.

LOUISIANA—Baton Rouge, May 2 and 3; Secretary, L. O. Broussard, Abbeville.

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

CHARLES G. DAWES RETURNS

President Charles G. Dawes of Central Trust, has returned from a South. He went for recreation and spent a couple of weeks fishing in Florida and Alabama waters.

CALIFORNIA BANKER HERE

Vice-President F. L. Lipman of Wells-Fargo Nevada National Bank, San Francisco, has been a visitor at Continental-Commercial.

NATIONAL NASSAU BANK

The old Nassau Bank of New York passed out of existence last week and in its place was born the National Nassau Bank, but with the same efficient staff, headed by President Edward Earl, that has built up this sterling institution to its present high standing. The capital stock, \$500,000, remains unchanged. While the report made to the State Superintendent of Banks November 10th showed deposits of \$9,400,000, the aggregate at the present time is \$10,500,000, a measure of growth seldom equalled.

President Edward Earl has been connected with the Nassau Bank for twenty-four years. He was elected president in November, 1908, succeeding W. H. Rogers, and was practically the head of this institution during the panic of 1907. The bank deposits at that time were about \$4,000,000. This amount has, since Mr. Earl's incumbency, multiplied two and one-half times. The Nassau Bank, which occupied the ground floor of the Temple Court Building, corner of Nassau and Beekman streets, was founded in 1852, and was one of the charter members of the clearing house. The other officers under Pres. Earl are: J. Christy Bell, vice-president; John Munro, vice-president; W. B. Noble, cashier; N. D. Alling, H. P. Sturr and R. M. Bailey, assistant cashiers.

ILLINOIS GROUP MEETINGS

Chairman Edens and Secretary Hurst are asking members of Group Four, I. B. A., to meet on the night of April 4th to discuss plans for the annual meeting.

Benjamin Graham, a banker of New York and Montclair, is dead.

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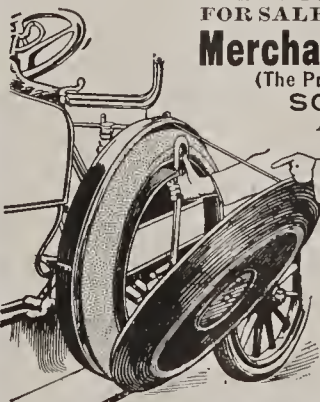
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INVESTMENT SECURITIES

Honest Promotion

San Antonio, Texas, March 6.—No effort on the part of Texas financiers has done so much for the development of the state, along progressive lines as the decision not to finance any undertaking that did not have actual merit in it. This decision upon their part almost one year ago has brought about the most stable and promising conditions.

Five or six years ago, when it had been demonstrated that the soil of southwest Texas was as productive as any in the world, all kinds of development schemes took root in the southwest section of the state. Some of these, of course, were legitimate, in the hands of men who build substantially and for all time. But unfortunately the "itinerant booster" saw an opportunity to ply his vocation, and for a time he flourished. The decision, however, of those who furnish capital not to finance any undertaking that did not have merit in it had the effect of causing the "get rich quick" promoter to seek more promising territory. This has proved a long step in the right direction and one of beneficent results to Texas. Both the homeseeker and the investor now have the assurance that when an undertaking has the capital on which to do business it has the endorsement of those who know the value of credits.

The result of this is that Texas has been wonderfully benefited and the tide of immigration has set this way with a greater rush than ever before. Gigantic irrigation undertakings are bringing thousands of acres under the domain of the plow and multiplying the producing power of the soil at a most rapid rate.

While money has been apparently close, compared with two years or more ago, the fact remains that legitimate enterprises have no trouble in securing plenty of working capital at a reasonable rate of interest. Banks in this city show an increased deposit as the result of this, and those who really do things in a developing world have the utmost confidence in the stability of financial institutions and the final results of agricultural effort.

In the southwest portion of the state, it is estimated by those in a position to know that the area devoted to cotton will be almost doubled this year. In the Lower Rio Grande Valley, where the most gigantic development in the history of this continent has taken place

in the past three years, it is estimated that fully 15,000 acres will be devoted to cotton growing by irrigation, one farm at Mission containing 1,000 acres.

LIMIT INTEREST TO 3 PER CENT

Sixty bankers attended the meeting of Central Pennsylvania Bankers Association at Du Bois. Action was taken on the interest question. B. M. Marlin was elected secretary to succeed E. E. Lindemuth.

A resolution was presented by H. B. Powell, president of the County National Bank of Clearfield that after May 1st not more than three per cent interest be paid by any member of the association on new accounts, whether in the form of certificates of deposit or otherwise.

This resolution was much discussed and Judge Harry White, of Indiana, made the following amendment which was adopted.

"And existing certificates or accounts not then according to their terms expiring, when they expire shall be received only at the rate of not exceeding 3 per cent per annum."

On motion of William Winslow of Punxsutawney, an amendment was added as follows:

"And after May 1, 1912, no interest rate in excess of 3 per cent shall be paid or credited upon any form of deposit in any bank in this association."

This resolution and amendments were adopted after a thorough discussion, with a provision that all banks that have not voted on the question shall have the privilege of taking action within twenty days.

H. B. Patton, a director of the County National Bank of Clearfield, and the Curwensville National Bank spoke on the matter and called attention to the conservative manner of foreign practice and said that the Metropolitan banker looks upon the country banker that paid 3 per cent on deposits as more worthy of confidence than on those who paid more.

President S. A. Rinn in closing the meeting congratulated the members for their earnestness and the fine manner in which they attended to business, and that one of the objects of the association was attained at the present meeting.

D. A. Holland, formerly of Boston, has become general manager of the Security Trust Company of Spokane, of which M. A. Phelps is president.

B. F. Harris

Vice-President B. F. Harris of First National, Champaign, who has just returned from a trip to Panama, says:

"Seeing the canal is not only a liberal education, it is absolutely necessary to an appreciation of just what our people can accomplish. Then by a visit there one necessarily corrects a lot of wrong impressions he may have formed, and the American is indeed a dead one who is not thrilled upon realizing what a really stupendous undertaking it is that we have undertaken and which our engineers and our workmen are carrying through without a hitch.

"I had unusual facilities for seeing the canal work, for I was taken through Culebra Cut on the pay car, went up in the Pacific end of the canal in a launch for four miles and a half, and then got opportunities to see the rest of the work at close range. The thing that strikes you first is that the nearer you get to the canal the bigger it gets to be and the more respect you feel for the way in which American citizens are carrying on the work. Then you notice the streets of the towns, and everything seems to be perfect—not a breath of scandal about anything—and then it strikes you after some time that the biggest thing about the work is the perfect organization. I talked with a lot of the men and attempted to draw them out, but I could not find evidence of any friction.

"On the ship going down people talked to us about the terrible climate and tried to scare us up. The fact is that the stop at Colon was the most delightful one we made, for the weather was pleasanter than at Havana. I talked with fully fifty officials and they and their wives seemed to be delighted with the climate. They told me there had been no yellow fever for years and that sun-stroke is unknown. You hear talk of pneumonia, but the quarantine doctor told me that he had never heard of a white person's having it down there.

"I heard lots of talk there about the actual work on the canal being finished in 1913, and the impression is that boats will be going through the canal for a year before the formal opening takes place, the object being to give every part of the work a thorough test before the waterway is declared ready for the world's traffic."

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RICHARD J. FAUST, Jr., Asst. Cash.
J. FRANKLYN BOUKER, Asst. Cash.

West Broadway and Chambers Street, New York

\$100,000 Robbery

New York, March 8.—Aaron Bancroft, a broker, 86 years old, was robbed last Thursday afternoon of securities worth about \$100,000 in the vestibule of the Produce Exchange Safety Deposit and Storage Company, but he did not discover his loss until to-day.

For the last twenty-five years it has been Mr. Bancroft's habit every Thursday afternoon to deposit the firm's valuable in a box rented by them from the Deposit and Storage Company. The distance from his offices to the vaults is not more than 200 feet, and anyone making the trip is in constant sight of the office windows.

Last Thursday Mr. Bancroft, as usual, placed securities, worth that day about \$100,000, in a large envelope, about 10 inches by 14 square, tied with red tape and with the firm's name printed in the corner. Alone, he walked from his office to the Produce Exchange.

A flight of steps leads from the street level entrance to the vaults. As Mr. Bancroft reached the bottom of the steps he noticed a young man, whom he remembered only as rather undersized, leaning against the corridor wall.

Mr. Bancroft continued on his way down, but just as he was about to turn the corner at the end of the corridor into the vaults a tall man, in a great hurry, came running around the corner in the opposite direction and collided with him. The shock threw Mr. Bancroft off his feet and in falling he dropped the envelope.

That was the cue for the undersized young man who had been leaning against the corridor wall. He stepped up to Mr. Bancroft, assisted him to his feet and was solicitous to tuck the fallen envelope under his arm. At least Mr. Bancroft thought it was the envelope that fell. He went on to deposit it in his box as usual.

When his son, George Bancroft, unlocked the box to-day to check up the securities before the opening of business for the week, he found that the only envelope there contained three old newspapers. A clever substitution had been effected.

Both the firm of George Bancroft and Company and the private detectives working on the case were convinced that the substitution was worked by men who had made a close study of the Bancrofts, their habits and their business methods.

The robbers knew on what day it was the firm's custom to deposit its securities and at what hour. They knew that Mr. Bancroft habitually carried them in an envelope of a certain appearance, for they provided themselves in advance with so close a duplicate that it deceived even the man who of all others should best have known its appearance.

The securities were made up of railroad and industrial stocks which could easily be hypothecated in any stock brokerage house in the United States having connections with the New York Stock Exchange.

GRAND TRUNK CHANGES OFFICIALS

Harry G. Elliott has been appointed general passenger agent of the Grand Trunk at Montreal, and is succeeded in Chicago by J. W. McDonald as assistant general passenger agent. Mr. McDonald has a wide acquaintance with the railway and newspaper fraternity, having for many years represented his company at Buffalo in charge of the Niagara Frontier, and for the past eight years as district passenger agent at Toronto. McDonald's territory embraces what is known as the western division, being that portion of the Grand Trunk Railway System lying west of Detroit and Port Huron, and also all the territory west of Chicago.

PENNSYLVANIA LINES GAIN

Philadelphia, Pa., March 8.—The annual report of the Pennsylvania Railroad Company shows the total operating revenues on the lines directly operated were \$160,457,298, an increase of \$10,863,465 over the previous year.

The operating expenses were \$114,812,628, an increase of \$12,621,198. Outside operations show a deficit of \$1,309,388, making the total net revenue \$44,335,281. Deducting fixed charges, the net income amounts to \$37,775,484.

On the lines west of Pittsburgh the total operating revenues were \$54,170,874, an increase of \$6,396,111. The operating expenses were \$37,063,271, an increase of \$6,590,592. The net income of these lines was \$9,836,980, an increase of \$733,082 as to compared to the year 1909.

Louisiana Bankers Association meets at Baton Rouge May 2d and 3d.

Wm. A. Vincent

The Chicago school board has received an important addition in the appointment of William A. Vincent, attorney. Judge Vincent has for years been one of Chicago's leading attorneys, active in every effort to advance the best interests of her citizens.

SHOWS INTEREST IN FARMING

President D. W. Karraken of Bank of Jonesboro, is among the many progressive bankers who are taking an interest in farming. He writes to W. G. Edens of Central Trust that the Bank of Jonesboro has distributed several hundred copies of Professor Hopkins' address entitled, "The Bankers the Guardians of the Soil," together with other documents of similar character.

Farmers in the Jonesboro district are rapidly taking up modern methods and are in a sense ahead of agriculturists in many other localities. Illinois bankers adopted this resolution at the Cairo convention showing how they regard their relationship to farming:

Resolved, That it is the sentiment of the Bankers Association of the state of Illinois that the recommendation of President James and Professor Cyril G. Hopkins of the University of Illinois as to the preservation of the soil of this state be acted upon by the members of the association through requesting their officers and directors to use their influence to secure more general recognition of the necessity of returning to the soil the essential elements removed by repeated cropping to the end that the most valuable asset of the state may be saved from deterioration by early action on the part of land owners and farmers.

TAKES TRIP TO FLORIDA

Vice-President William C. Cook of Western Trust and Savings Bank is taking a short respite from business and has gone to Belleaire, Florida. He expects to return next week.

Panhandle Lumber Company of Coeur d'Alene, Idaho, has filed a mortgage for \$1,200,000, at Coeur d'Alene, in favor of First Trust and Savings Bank of Chicago. Sixty thousand dollars is to be paid on August 1, 1911, and the final payment on February 1, 1912. Fourteen coupon bonds are payable between these dates.



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 FRED F. BULLEN, Pres., Minnesota Malting Co.
 WILLIAM H. COLVIN, Wm. H. Colvin & Co.
 CHARLES S. CUTTING, Judge of the Probate Court
 A. R. MARRIOTT, Vice-Pres., Chicago Title & Trust Co.
 WILLIAM F. MERLE, Pres., A. H. Andrews Co.
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THE LITERATURE OF THE SOUTH

"The Literature of the South" is a book of promise in its title and a revelation in its pages, dealing kindly and with feeling with the position of the South in American letters. For convenience the time is divided into colonial, revolutionary, ante-bellum, Civil War and new South periods. Prof. Montrose J. Moses has done the whole American people a great service in this fine volume of 500 pages. The publishers are Thomas Y. Crowell & Co. New York.

The author's idea is to give a critical view of the principal authors of each period and a summary of the literary life thereof. He endeavors to be fair and unprejudiced, and generally succeeds. He becomes impatient over the follies of the reconstruction period, but so do we all, for that matter. Of course a great many writers of minor importance are mentioned, some of whom the general reader never heard of before; but one who has not given the matter much thought will be surprised at the large number of authors of national reputation who are or were of southern birth. These are just a few of them: Richard Malcolm Johnston, F. Hopkinson Smith, George W. Cable, Joel Chandler Harris, James Lane Allen, Frances Hodgson Burnett, Mary N. Murfee, Henry Grady, Thos. Nelson Page, Madison Cawein. Most of these are yet living. Of those not living may be mentioned: John James Audubon, John Esten Cooke, Henry W. Grady, Paul Hamilton Hayne, Sidney Lanier, Albert Pike, Edgar Allan Poe, George D. Prentice, William Gilmore Simms and Henry Timrod.

TWO NEW BOBBS-MERRILL BOOKS

A new Bobbs-Merrill book in reading circles is like a new gown from Paris. It is accepted as the correct thing, having been issued by authority. One of the latest to come from the Indianapolis publishers is "Colonel Todhunter of Missouri" by Ripley D. Saunders, a well known St. Louis newspaper man. The colonel of the story is a combination of gallant, fighting man and politician and he may be accepted as a type. Many former celebrities are in the story as characters. Party politics of the present time is cleverly handled by the author, but his first claim to something out of the ordinary is his cleverer handling of the Missouri-Kentucky dialect as put into the mouth of Col. Todhunter and those a bit below him in capacity and station. Of course, there is a killing and a murder trial, the exigencies of local color would demand that much; and

there's a love story, quaintly, prettily told. In the politics, the social events, the more dire happenings and the unfolding of the tender passion, Mr. Saunders keeps his account and the participating characters well in hand. There is a better balance between description and action than in most novels of similar trend, a gentler but not less distinctive portraiture of character. Illustrator W. B. King has caught the outline as well as the mood of the story, and his work enhances the value of the effort. It can not be denied that "Col. Todhunter of Missouri" is "mighty interesting" reading.

"The Phantom of the Opera" by Gaston Leroux, from the same publishers, is of another school entirely. It is a thriller and may give you the creeps. Depends upon your nerves and your environment. Leroux wrote "The Mystery of the Yellow Room" but goes it one better when he takes up an opera ghost, who haunted the opera house in Paris, that beautiful structure of 17 stories, surmounted by the Lyre of Apollo, with a lake beneath its five cellars. It is a strange leading character for a novel; yet from the first words of the prologue interest is excited, an interest which grows as he tells how he came to connect the phantom, with the mysterious and dramatic conditions that attended the kidnapping of Christine Daae, the prima donna, the disappearance of the Vicomte de Chagny and the death of his elder brother, Count Philippe, whose body was found on the bank of the lake that exists in the lower cellars of the Opera on the Rue Scribe side.

No attempt will be made to give an outline but wild as it is, the story ends happily. In the mystery line it has them all beaten.

WITH THE FLYING SQUADRON

Assistant Cashier George B. Smith of Continental-Commercial National, made the tour of the Texas and Oklahoma group meetings with the flying squadron, a party of 25 bankers from Chicago, St. Louis and Kansas City. He reports large meetings and a cheerful feeling over business prospects.

BACK FROM TEXAS VISIT

W. H. Hurley of National Bank of the Republic, is back from his Texas visit. He reports the various bankers' meetings in the Southwest as having been interesting and well attended. Mr. Hurley says the recent rains have improved agricultural prospects and there will be an increase in cotton acreage.

BANK DIVIDEND RAISED

Directors of Merchants' Loan and Trust Company declared a quarterly dividend of 4 per cent Tuesday raising the annual rate from 12 to 16 per cent on the bank's \$3,000,000 of capital. This action has been expected by some of the holders of the stock for a year or more, and the shares have sold up around the level of other bank stocks drawing 16 per cent dividends.

There has been active bidding for the stock recently at \$430 a share and higher, but very little has changed hands. Merchants' Loan has a surplus and undivided profits of more than \$6,100,000, giving its stock a book value of more than \$303 a share. Its deposits are around 56,000,000.

The earnings of the bank last year were in excess of 30 per cent on the capital and in 1909 were virtually 34 per cent. The increased rate of dividends does not call for more than one-half of the bank's average earnings.

BANK STOCK IS BID UP

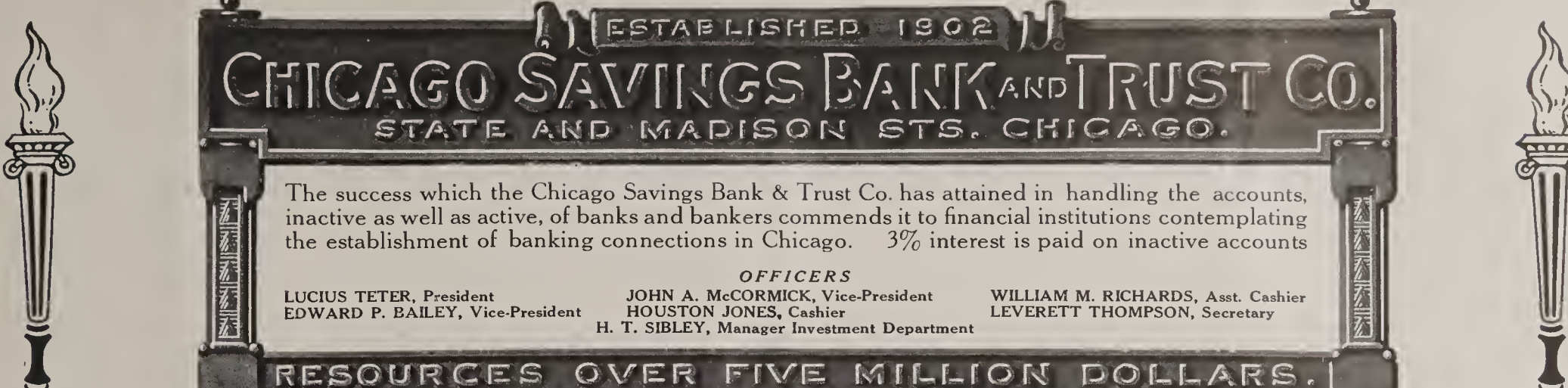
Directors of State Bank of Chicago have declared the regular quarterly dividend of 3 per cent. There has been considerable bidding for its stock at 370 and better recently on the expectation that the dividend would be raised to a 16 per cent rate.

While the bank's record of earnings seems to justify an increase in the dividend payment, the board and the management are conservative and are fond of a large surplus. The question of raising the rate was not considered.

COMPLIMENT TO J. J. ARNOLD

John J. Arnold, manager of the foreign exchange department of First National, has been elected a member of the foreign trade committee of Chicago Association of Commerce. Harry A. Wheeler of Union Trust is president of the association and Edward E. Swadener chairman of the foreign trade committee. Mr. Arnold will be a valuable member of the body to which he has been elected.

State Commissioner of Banking A. E. Kuolt has resigned his position as cashier of the Merchants and Savings Bank of Kenosha and he will be succeeded by N. A. Rowe, assistant cashier. Joseph M. Funk has been named as assistant cashier.



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

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The success which the Chicago Savings Bank & Trust Co. has attained in handling the accounts, inactive as well as active, of banks and bankers commends it to financial institutions contemplating the establishment of banking connections in Chicago. 3% interest is paid on inactive accounts

OFFICERS

LUCIUS TETER, President	JOHN A. McCORMICK, Vice-President	WILLIAM M. RICHARDS, Asst. Cashier
EDWARD P. BAILEY, Vice-President	HOUSTON JONES, Cashier	LEVERETT THOMPSON, Secretary
H. T. SIBLEY, Manager Investment Department		

RESOURCES OVER FIVE MILLION DOLLARS.

Seattle

Bankers throughout the state are raising objections to some of the features of the banking bill now before the state legislature. The bill embodies the recommendations made by State Bank Examiner J. L. Mohundro.

While commending some features of the bill, bankers object strenuously to others. One of the principal objections is to the clause which fixes the minimum capital stock of country banks at \$15,000. The minimum at present is \$10,000. Originally Mr. Mohundro favored fixing the minimum at \$25,000, but consented to fix it at \$15,000. Banks who are directing the fight against the bill declare that such a clause will work a hardship on many communities that are not large enough to support a \$15,000 bank and yet which can support a \$10,000 institution.

Bankers also object to being compelled to pay for two instead of one examination per year as provided in the bill now before the legislature. The state bankers declare that if this clause is made a part of the law, it will compel the state banks to pay just twice the examining fees required of the national banks. They do not object to the examinations but think one fee is sufficient.

M. F. Backus, president of the National Bank of Commerce, who has just returned from an Eastern trip, stated on his return that business and financial conditions in the East have improved materially since he was in the East last fall. Money, he said, was easy. If the reciprocity bill passes he looks for a decided improvement in industrial conditions.

E. H. Price, vice-president of the German-American Bank of this city died suddenly at his home Tuesday night, February 21st. Mr. Price had been a resident of Seattle for three years.

E. W. Andrews, president of the Seattle National Bank, has just returned from a pleasure trip to California.

J. E. Chilberg, vice-president of the Scandinavian-American Bank, has sailed for Europe where he expects to remain for a month or six weeks.

Marcus M. Murray, who has been cashier of the American Savings Bank and Trust Company, left Seattle March 1st and associated himself with the Bankers Trust Company of Tacoma, which is affiliated with the Seattle institution.

C. S. Harley, cashier of the Mercantile Bank, was appointed a delegate to the National Convention of the Navy League of the United States at Los Angeles.

J. T. Hardeman has been elected president of the Seattle Association of Credit Men to fill the vacancy caused by the resignation of J. W.

Spangler, credit manager of the Dexter Horton National Bank.

A. N. Cheney's private bank at Winlock, Chehalis county, this week took out a charter under the state banking department with \$15,000 capital stock. The president is A. N. Cheney; Mrs. Nellie Cheney is vice-president; C. A. Cook, cashier, and these three with C. S. Harley of the Mercantile Bank of Seattle and L. D. Howe of the Toledo State Bank are the directors.

The body of E. H. Price, president of the German-American State Bank of Seattle, was sent to his former home at Blue Hill, Nebraska, and buried by the side of his mother, in conformity with Mr. Price's wish.

Martin McLean, cashier of the Davenport National Bank, of Davenport, Wash., has been named by the secretary of the treasury to be national bank examiner to succeed Eugene T. Wilson, who recently resigned to accept a vice-presidency in the National Bank of Commerce of Tacoma.

San Francisco

At the annual meeting of the San Francisco Clearing House Association, Manager Sleeper submitted his report, showing that for the past year, the 35th in the life of the association, the clearings were \$2,323,772,870, and for 1909 they were \$1,979,872,570, a gain of 17.37 per cent, or \$343,900,300. Of this gain 6.19 per cent, or \$122,652,134 was due to subtreasury clearings since January 18, 1910. Deducting this amount from the total gain leaves the gain in the bank members' clearings on each other in 1910 11.18 per cent. It is the rule of the San Francisco clearing house that differences must be settled daily in cash—not with cashiers' checks as is the custom in most cities. Manager Sleeper's report shows that 31.33 per cent of balances are paid in gold coin and 68.67 per cent in United States treasury gold certificates.

The following officers were elected: President, James K. Lynch, of the First National; vice-president, James J. Fagan of the Crocker National; secretary, E. J. Broberg, of the American National; clearing house committee, Herbert Fleishacker of the Anglo and London Paris National, F. L. Lipman, of the Wells Fargo Nevada National, John D. McKee of the Mercantile National, Charles K. McIntosh of the Bank of California, N. A., together with President Lynch and Vice-President Fagan; manager, Charles Sleeper; assistant manager, F. H. Colburn.

RANKIN BACK FROM BERMUDA

A. H. Rankin, cashier of Sangamon Loan and Trust Company, Springfield, has returned from Bermuda. He spent most of the winter in the tropics.

Los Angeles

Rumors of more bank consolidations in Los Angeles are rife. It is known that the Citizens National, which has taken the lead lately in absorbing other concerns, is negotiating for at least two more banks and a deal may be closed any day. Ever since the late meeting of the American Bankers Association in Los Angeles, when a number of prominent delegates declared that what this city needed most was a consolidation of banks, there has been activity in the direction of effecting amalgamations. And yet, in the face of this fact, efforts are being made to open new banks, so there is little probability that the number of fiduciary institutions will be reduced. A report that is not officially corroborated is to the effect that Hulett C. Merritt, a multi-millionaire of Pasadena, with certain associates, will establish a new trust company in Los Angeles, and a new savings bank is said to be in embryo.

The American Savings Bank of Los Angeles, will open a new branch, the third, on Vermont Avenue and Jefferson Street, fully four miles from the parent concern. The American has found the branch idea profitable in this city which extends over so great a territory.

A battle of the bankers has just been fought out at Long Beach, one of the popular seaside resorts of Los Angeles, for the possession of a much coveted site for a great hotel. The outcome was a victory for the syndicate headed by H. S. McKee, who is president of the First National of Long Beach, and cashier of the National Bank of California, in Los Angeles. The opposition was represented by W. L. Porterfield, also a banker.

Benjamin Young, retired banker from Astoria, Ore., died suddenly in a hotel lobby in Los Angeles, February 22d. Heart disease was the cause.

A holding company has been formed for the ownership of the Columbia Trust Building, Los Angeles, in which is the home of the Oil & Metals Bank & Trust Company, successor to the Columbia Trust.

W. S. Bartlett, chairman of the board of directors of German American Savings Bank of Los Angeles, who recently returned from a tour of the world, lectured to the local Y. M. C. A., the evening of February 21st, on the associations in foreign lands.

L. C. Brand, president of the All Night & Day Bank, and secretary of the Title Guaranty & Trust Company of Los Angeles, was compelled to undergo a dangerous surgical operation. Although his condition was for a time critical hopes are entertained for his recovery.

Northwestern's February car loading increased 10 per cent.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

The Difference

in the "tone" and character of railroad service is just as great as it is in hotels, for instance. The superiority of either service is largely determined by attention to details. The observance of this rule is the secret of **Burlington** high-efficiency service.

Be a Burlington guest next time you go to **St. Paul or Minneapolis!** The advantages of the service are highly important—its completeness will surprise you.

"Minnesota Limited" . . .	Leaves Chicago	6:30 p. m.
	Arrives St. Paul	7:20 a. m.
	Arrives Minneapolis	8:05 a. m.
"Oriental Limited" . . .	Leaves Chicago	10:15 p. m.
	Arrives St. Paul	10:45 a. m.
	Arrives Minneapolis	11:40 a. m.
"Northern Pacific Express"	Leaves Chicago	9:15 a. m.
	Arrives St. Paul	10:15 p. m.
	Arrives Minneapolis	10:55 p. m.



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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Attempt to sell Minneapolis bonds of \$825,300, the rejection of bids and determination to readvertise, resulted in some discussion of a previous sale whereby in effect half a million bonds were disposed of at less than par, which in fact has been illegal under the state law. The city attorney says: "The recent sale, with an allowance to the purchasers of a stated sum for preparing the blanks, can be defended as a legitimate expense of the sale. The cost of the printing falls upon the city and the council may exercise its discretion, within reasonable limits, as to who shall do the work and the price to be paid. But even this discretion should be exercised with caution and the sum allowed should fairly represent the cost of furnishing the blank bonds."

Proposal of the Halsey company provided for payment in non-interest bearing certificates from one to seven months deferred, and figured an equivalent of about \$14,000. The city attorney ruled that the bidder's attorneys would probably pronounce the sale illegal; the bid is not in money and entails a discount, and the conclusions are that it would be a sale at less than par and therefore forbidden. He continued:

"The reputation of the city for conservative dealing like that of a private borrower, is an asset of considerable value. An inclination to disregard or evade the limitations placed by law upon its borrowing power is sure to be detected and commented upon unfavorably. Even if this particular sale should pass the scrutiny of counsel for the buyers and be consummated, it is certain that other counsel having to do with municipal bonds would condemn it. Thus we should have out several bond issues of disputed legality; and knowledge of that fact in financial circles would tend to discredit other issues, past and future."

Discussion of Bond Problem

Bonds have been the principal subject for discussion in and out of the Minnesota legislature. Minneapolis was anxious for a big park and

school bond issue, and after arguments for and against the large issue, the estimate was cut. Even the women took part in the discussion. Whether to cut the law out forbidding the sale of city bonds below par, or to advance the maximum interest to $4\frac{1}{2}$ per cent was another bone of contention. Nearly five million bonds were wanted.

A members of the Wells & Dickey Company, suggested a discount rather than increase in rate. He said:

"We think we are correct in stating that with the large buyers of bonds, the fact that bonds are sold at a slight discount will have no effect whatever upon the general credit of the city, and that the city will, in the end, sell 4 per cent bonds at a better price, that is, upon a lower net interest basis than they could possibly sell $4\frac{1}{2}$ per cent bonds.

"We quote from a prominent Chicago bond house: 'In all the years that we have been in business, we have never heard of a city's credit suffering from having sold its bonds below par.'

"If the market is not in a condition to absorb 4 per cent bonds at better than par, the mere fact that these 4 per cent bonds are sold at a discount rather than $4\frac{1}{2}$ per cent bonds being sold at a premium, does not, to our mind, reflect in any way whatever upon the credit of the city. It seems to us that the idea which some people seem to have, that it is bad policy to sell bonds below par, is not founded upon any good reason."

"The recent bids at a discount for Minneapolis bonds, indicate that they would sell upon about a $4\frac{1}{8}$ per cent interest basis. Should $4\frac{1}{2}$ per cent bonds be offered, a $4\frac{1}{8}$ per cent basis would require the payment of \$64 premium on every \$1,000 bond. The disinclination on the part of investors to pay a large premium would inevitably mean that $4\frac{1}{2}$ per cent bonds could not be marketed upon such a favorable basis, but would probably have to be sold on about 4-5 per cent basis or \$50 premium per bond.

This difference in the basis between a high rate and a low rate bond is always observable in the buying and selling of municipal securities, and a city will be sure to get a better price if it offers its 4 per cent bonds and permits their sale at a discount."

The senators made a close investigation of the subject and issued a statement favoring the allowance to sell at 5 points below par rather than the advance of the maximum point of interest.

Their opinion was indorsed by A. B. Leach & Company and N. W. Halsey & Company of Chicago, also the Minnesota Loan & Trust, Hennepin County Savings, Northwestern and First Nationals and the Wells & Dickey Company.

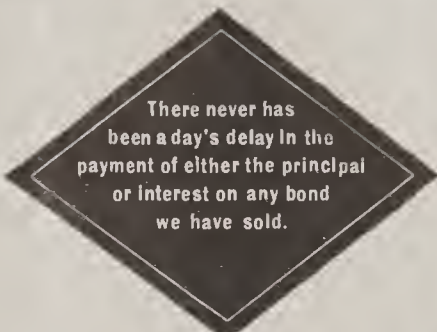
Helping Out Persia

Bruce G. Dickey, of Bird Island, Minn., appointed by President Taft as one of five to help Persia work out financial and taxation reforms, said at Minneapolis on Tuesday: "I have not had a conference with W. Morgan Shuster of Boston, head of the commission, and am not fully advised of the plan to be followed in working out the system. I assume that we shall have to make close study of the situation as we find it on arrival in Persia, and then devise whatever plan will fit local conditions."

The commission will sail, he says, about March 20th. In the party will be beside Mr. Shuster, F. E. Cairns, C. J. McCaskey, George Hall and Bruce Dickey. Mr. Dickey will be inspector of taxation. He was in the consular department of the Philippines eight years and in 1908 became assistant cashier of customs at Manila.

Northwestern Miscellany

Donald W. Mackerchar, vice-president of the First National, after a month in the South, has returned to Minneapolis. He played golf at Augusta, Ga. Clive T. Jaffray, also vice-president, arrived later in the week after chasing similar elusive golf balls.

	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS First National Bank Bldg., Phone Central 6400 PITTSBURGH CHICAGO PHILADELPHIA	
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Pittsburgh

The rate of bookings of orders for finished steel products in the past week showed a slight decrease from preceding weeks and enquiry is not very heavy. There may be no further improvement until the spring opens, when there is always a burst of activity in finished steel products.

February makes a favorable comparison with January in total volume of business done, as the buying was well sustained, at a rate slightly below the rate at the close of January, but at well above the rate at the opening of January. Taking the Steel Corporation and independents together, February bookings probably amounted to about 75% of capacity, with production between 50 and 60% of capacity, but the rate of production at the beginning of March is 65% for the Steel Corporation and from 65 to 85% for the independents, making an average of between 70 and 75%.

The question of Lake Superior ore prices for the coming season is being canvassed with interest. The merchant furnaces are reported by the ore interests to be opposed to any reduction, because they have large stocks of ore and pig iron upon which a reduction in the season price would write a depreciation. The ore interests are of course opposed to a reduction and unless some individual interest breaks loose, an improbable contingency, the 1910 prices will prevail for 1911.

Business generally continues good, as is shown by the exchanges for February at the Pittsburgh Clearing House, which totaled \$180,801,659. This is only \$4,000,000 less than for February of last year, while it is \$29,000,000 greater than for February of 1909.

There was a good deal of activity in bonds, but prices were irregular. One block of \$25,000 Consolidated Gas 5s (Pittsburgh) sold at 94 $\frac{1}{4}$, the first sale in several years and a decline of 5 $\frac{3}{4}$. Independent Brewing 6s continued to sell at 86, the best price in several years, and the same was true of Pittsburgh Brewing 6s at 101 and Jones & Laughlin Steel 5s at 102 $\frac{1}{2}$.

The supply of loanable funds in the Pittsburgh banks and trust companies is materially increased by offerings of country banks through their city correspondents.

Pittsburgh Chapter, American Institute of Banking, tackled a big subject at its meeting last week, and decided it promptly. A debate was held on the subject, "Resolved, That the Pittsburgh Clearing House Association should establish a credit information bureau for the use of the local banks." It was held that competition among the banks is so keen that serious jealousies would result should a bureau be established.

The negative won. The winners were Fred G. Lancaster, of the Keystone National Bank; F. G. Eyler, of the Union National Bank, and M. D. Thomas, of the Commonwealth Trust

Company. Those who argued the affirmative side of the question were A. K. King, of the First National Bank of Wilkesburg; Oscar Kapff, of the German National Bank, and W. J. Heyneman, of the East End Savings and Trust Company.

The interesting fact that Pittsburgh has about 30 per cent more banks than Chicago, whose population is much greater, was brought out. Pittsburgh has 105 to Chicago's 68. This large number of banks here was said to be both the cause and effect of the rivalry which exists.

Duquesne National moved on March 6th to its own building, formerly occupied by the Industrial National Bank, absorbed some years ago by First National Bank of Pittsburgh. A great many improvements have been made in the building to meet the needs of the Duquesne.

The Business Monthly for March, issued by the First National Bank of Pittsburgh, is especially valuable to investors interested in local securities, since it gives in succinct form many reports of corporations for the year. There is usual editorial discussion of the monetary and trade situation, with articles on exports, postal savings banks, radium and coal, and other timely subjects.

Three creditors filed a petition in bankruptcy against Daniel H. Stone, Charles H. Stone and Stephen P. Stone, individually and as co-partners, doing business as the Beaver Deposit Bank, a private banking institution of Beaver, Pa.

A mortgage for \$7,500,000 has been filed by the Pittsburgh Crucible Steel Company with the Union Trust Company, of Pittsburgh. The mortgage is the amount of contemplated improvements at the Midland plant of the Crucible Steel Company.

Stockholders of the Colonial Trust Company have received a letter from A. D. Robb, secretary, telling of the special meeting on March 16th, and the proposed segregation of the Colonial Trust Company, Columbia National and Germania Savings Bank and the resultant decrease in the capital stock of the company from \$4,000,000 to \$2,600,000, and a dividend of the stocks of the Columbia and Germania banks. This reduction shall first apply to the capital stock owned and carried in the name of the Freehold Bank, the Columbia National Bank and the Germania Savings Bank, controlled by the Colonial Trust Company, which stock shall be taken over for cancellation at the sum of \$200.00 per share, an aggregate of \$285,700.00. After the cancellation this stock, the balance of the reduction, shall be divided pro rata among the stockholders in accordance with their respective holdings on March 11, 1911.

THE HANCHETT BOND CO., Inc.	
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CITY SCHOOL COUNTY DRAINAGE	BONDS
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Philadelphia

There was an advance of \$6.75 in Girard National Bank to 347 in Wednesday's auction sales of bank and trust company stocks. There was also a jump of \$9.75 in Philadelphia Trust to 570. Other changes included advances of \$2.25 in First National Bank to 218, and \$2.50 in Fidelity Trust to 926.

W. H. Carpenter, president of the Union National Bank, left on Thursday for Bermuda, where he will recuperate for a month. The recent growth in the business of the bank is attracting notice.

Arrangements are being completed for the tenth annual dinner of the Philadelphia chapter, American Institute of Banking, to be held at the Hotel Walton the evening of March 18th. The banquet committee is composed of Eugene J. Morris, chairman; J. Norman Ball, F. H. Bendig, Jr., J. G. Sonneborn, John C. Frankland, John H. Borden and Charles Osborne.

After a continued period of service of fifty-one years and five months Charles Edmund Pugh, first vice-president of the Pennsylvania Railroad, retired from the service of the company on Tuesday last. He rose from the position of station agent.

Activity in bond trading was the feature of the dealings on the Philadelphia Stock Exchange during the month of February as revealed in the report made public during the week. The total bond sales were \$2,090,000 in February, which compared with \$2,212,134 in January, a longer month, and \$2,036,795 in December. The total exceeded that of any February in the last six years, and compared with \$1,536,302 a year ago.

Total clearings through the Clearing House reached \$579,840,488, an increase of \$12,990,465 over the same month a year ago, or about 2.99 per cent.

This compares with a loss of 5.11 per cent in January from a year ago, with a decline of 10.9 per cent in December, a gain of 2.6 per cent in November, a decline of 0.9 per cent in October, and a decline of 5 per cent in September, when the first decline from the previous year was noted.

The Pennsylvania State Supreme Court on Monday last decided that the \$8,000,000 loan ordinance is invalid, upholding the opinion of the lower court. A special election will be held.

The following officers are reported for the banking firm of C. H. Geist Company: C. H. Geist, president; R. W. Griswold, vice-president; and H. A. Long, secretary and treasurer.

R. C. Hodgson is reported cashier of the banking firm of Samuel K. Phillips & Company.

FOREMAN BROS. BANKING CO.

110 La Salle St.

*Statement of the Condition at the Commencement of Business
March 8, 1911*

RESOURCES

Loans and discounts.....	\$7,765,843.21
Overdrafts.....	3,673.30
Stocks and bonds.....	195,400.00
Cash on hand and in banks.....	3,533,458.45
Total.....	\$11,498,374.96

LIABILITIES

Capital.....	\$1,000,000.00
Surplus.....	500,000.00
Undivided Profits.....	43,439.53
Deposits.....	9,954,935.43
Total.....	\$11,498,374.96

EDWIN G. FOREMAN, President
OSCAR G. FOREMAN, Vice-President

GEORGE N. NEISE, Cashier
JOHN TERBORGH, Ass't Cashier

STATEMENT OF CONDITION OF THE LIVE STOCK EXCHANGE NATIONAL BANK OF CHICAGO

AT THE CLOSE OF BUSINESS, MARCH 7, 1911

RESOURCES

Loans and Discounts -	\$7,619,998.15
Overdrafts - - - -	5,071.74
United States Bonds -	100,000.00
Other Bonds - - - -	312,275.00
Cash and Due from Banks	4,023,400.37

\$12,060,745.26

LIABILITIES

Capital Stock - - - -	\$1,250,000.00
Surplus - - - - -	400,000.00
Undivided Profits - - -	137,631.71
Circulation - - - - -	98,600.00
Dividends Unpaid - - -	175.00
Reserved for Taxes - - -	27,500.00
Deposits - - - - -	10,146,838.37

\$12,060,745.26

OFFICERS

W. A. HEATH, President
G. F. EMERY, Cashier
G. A. RYTHUR, Vice-President
A. W. AXTELL, Asst. Cash.
H. E. HERRICK, Asst. Cash.

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James H. Ashby
Samuel Cozzens
W. A. Heath
Arthur G. Leonard
Edward Morris
Charles M. Macfarlane
H. E. Poronto
G. A. Ryther
J. A. Spoor
Edward F. Swift

Pacific Northwest Banking News

Spokane, Wash., March 8.—Spokane Clearing House Association entertained officials and stockholders of local banks at a "Good Fellowship" and "Pull Together" banquet in the Hall of the Doges, the evening of February 28th. J. Grier Long, president of the Washington Trust Company, newly elected president of the association, presided as toastmaster in the early part of the evening. Samuel Galland, vice-president, occupied the chair afterward. Other officers present were W. D. Vincent, secretary; Edwin T. Coman, chairman of the board of trustees, and J. P. M. Richards and Thomas H. Brewer.

Following words of welcome by President Long there were short addresses by Rev. A. C. Grier, pastor of First Universalist church, who presented "A Bird's-eye View of a Dollar"; J. P. M. Richards, who was the first president of the organization; Edwin T. Coman, president of Exchange National Bank; F. H. Luce, national bank examiner; A. F. McClaine, president of the Traders National Bank and retiring president of the clearing house; F. M. March, president of the Bank of Commerce; Julius Galland of the Northwest Loan and Trust Company; S. A. Anderson, W. J. Kommers, E. J. Cannon, R. Insinger, manager of the Northwestern and Pacific Hypotheekbank; J. W. Bradley of the Spokane Chapter of the American Institute of Banking; T. G. Proctor of British Columbia. The entertainment program was provided by the Elks quartet. Marjory Kemp and E. V. Klein, assistant cashier of the Traders' National Bank.

Moves to New Building

Security National Bank of Cheney, Wash., organized in October, 1906, has moved into its new building erected at a cost of \$13,000. The furnishings cost \$1,500. The bank's capital and surplus is \$30,000, the officers being: President, W. J. Sutton, vice-president, Thomas H. Brewer, Spokane; cashier, R. H. Macartney; assistant, J. E. Whalen; trustees, Albert Betz, G. A. Fellows, Christian Betz, J. L. Ankron, Chas. P. Lund, Spokane, and Victor Erickson. The bank was organized by Mr.

Macartney who came to the West from Des Moines, Iowa.

Seven Per Cent Bonds

Spokane and Eastern Trust Company has bought a bond issue of \$250,000 bearing 7 per cent interest of the E. H. Stanton Packing

Company of Spokane, which has invested more than \$600,000 in a packing plant in the eastern part of this city. The bonds become a first mortgage on the property, and are payable at the rate of \$50,000 a year beginning in 1912. Two hundred thousand dollars of the bonds have been placed in New York and Chicago.

Northwestern News Notes

Supreme court of the state of Washington handed down a decision on February 28th that the banks at Olympia can not recover from the state the \$17,000 which Ortis Hamilton, former adjutant-general, secured to pay his deficiency claims shortly before being arrested on the charge of embezzlement.

J. K. Edmunston, former president of the Walla Walla Savings Bank at Walla Walla, Wash., who was pardoned by Governor Hay recently, has sent another installment of \$1,500 to be applied to wiping out the old debts. The money was sent to J. L. Sharpstein of Walla Walla, through a third party who refuses to divulge the whereabouts of Edmunston.

Odessa State Bank and First National Bank of Odessa, Wash., have consolidated under the name of the Union State Bank of Odessa. The paid-up capital is placed at \$40,000, and undivided profits \$10,000. The officers are: President, George W. Finney; vice-presidents, Joseph Kriegler and W. R. Lesley; cashier, Charles T. Deets; assistant cashiers, Henry W. Rieke and Alfred M. Michaelson; trustees, Oscar F. Minch and J. F. Lauer.

J. E. Ferris, assistant secretary of the Union Trust and Savings Bank of Spokane who has just returned from an extended eastern trip, reports the sale of \$225,000 worth of Skagit county bonds, running 20 years at 4½ per cent. He said that the general condition is decidedly conservative, though there is ample money for the right kind of enterprise, adding: "Loans are easy and the bond market has strengthened very noticeably. The general tendency is to discount the political disturbances, and to settle down to a steady year or so of business anyway before the national presidential election."



THE INLAND EMPIRE

BRITISH COLUMBIA

WASHINGTON

IDAHO

MONTANA

OREGON

OUR TERRITORY

Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequalled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

OFFICERS

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

The Old National Bank OF SPOKANE

REPORT OF THE CONDITION OF THE CORN EXCHANGE NATIONAL BANK OF CHICAGO

AT THE CLOSE OF BUSINESS MARCH 7th, 1911

RESOURCES

Time Loans.....	\$33,654,505.57	
Demand Loans.....	8,049,331.18	\$41,703,836.75
Overdrafts.....		1,984.83
United States Bonds.....		1,700,000.00
Other Bonds.....		2,243,038.48
New Bank Building.....		2,000,000.00
Cash on Hand.....	\$12,184,358.97	
Checks for Clearing House.....	2,049,678.04	
Due from Banks.....	9,187,452.39	
Due from Treasurer U. S.	247,000.00	23,668,489.40
		\$71,317,349.46

LIABILITIES

Capital.....	\$3,000,000.00	
Surplus.....	5,000,000.00	
Undivided Profits.....	666,407.32	
Circulation.....	1,063,997.50	
Dividends Unpaid.....	404.00	
Deposits.....		
Banks and Bankers.....	\$31,094,120.39	
Individual.....	30,492,420.25	61,586,540.64
		\$71,317,349.46

OFFICERS

ERNEST A. HAMILL, President

CHARLES L. HUTCHINSON, Vice Pres. JOHN C. NEELY, Secretary
CHAUNCEY J. BLAIR, Vice Pres. FRANK W. SMITH, Cashier
D. A. MOULTON, Vice President J. EDWARD MAASS, Ass't Cashier
B. C. SAMMONS, Vice President JAMES G. WAKEFIELD, Ass't Cashier

DIRECTORS

CHARLES H. WACKER MARTIN A. RYERSON CHAUNCEY J. BLAIR
EDWARD B. BUTLER CHARLES H. HULBURD
CLARENCE BUCKINGHAM BENJAMIN CARPENTER CLYDE M. CARR
WATSON F. BLAIR CHARLES L. HUTCHINSON EDWIN G. FOREMAN
EDWARD A. SHEDD ERNEST A. HAMILL FREDERICK W. CROSBY

FOREIGN EXCHANGE LETTERS OF CREDIT CABLE TRANSFERS

Continental and Commercial National Bank OF CHICAGO

Statement of Condition at Close of Business, Tuesday, March 7, 1911

RESOURCES

Loans and Discounts.....	\$117,776,161.35	
Bonds, Securities, etc.....	14,344,308.81	\$132,120,470.16
U. S. Bonds to Secure Circulation.....		8,446,593.75
Stock Com'l Nat. Safe Dep. Co. (Bank Building) at par.....		1,597,500.00
Real Estate.....		35,597.67
Overdrafts.....		8,339.44
Due from Banks and U. S. Treasurer.....	\$ 26,650,555.34	
Cash.....	40,510,357.80	67,160,913.14
		\$209,369,414.16

LIABILITIES

Capital Stock Paid in.....		\$ 20,000,000.00
Surplus Fund.....		8,000,000.00
Undivided Profits.....		2,259,443.23
Reserved for Taxes (payable in 1912).....		174,453.40
Circulation.....		8,309,202.50
Deposits--Individual.....	\$66,575,156.70	
Banks.....	104,051,158.33	170,626,315.03
		\$209,369,414.16

GEORGE M. REYNOLDS, Pres.
RALPH VAN VECHTEN, V-Pres.
ALEX. ROBERTSON, V-Pres.
HERMAN WALDECK, V-Pres.
JOHN C. CRAFT, V-Pres.
JAMES R. CHAPMAN, V-Pres.
WM. T. BRUCKNER, V-Pres.

OFFICERS
WM. G. SCHROEDER, Secretary
NATHANIEL R. LOSCH, Cashier
HARVEY C. VERNON, Asst. Cash.
GEO. E. SMITH, Asst. Cash.
WILBER HATTERY, Asst. Cash.
H. ERSKINE SMITH, Asst. Cash.

EDWARD S. LACEY, Chairman of Advisory Committee

JOHN R. WASHBURN, Asst. Cash.
RALPH C. WILSON, Asst. Cash.
WILSON W. LAMPERT, Asst. Cash.
DAN NORMAN, Asst. Cash.
FRANK L. SHEPARD, Auditor
H. LAWTON, Mgr. Foreign Dept.

Continental and Commercial Trust and Savings Bank CHICAGO

THE CAPITAL STOCK OF THIS BANK IS OWNED BY THE STOCKHOLDERS OF THE CONTINENTAL AND COMMERCIAL NATIONAL BANK OF CHICAGO

Statement of Condition of this Bank at Commencement of Business, March 8, 1911

RESOURCES

Time Loans (secured by collateral).....		\$ 3,994,276.45
Demand Loans (secured by collateral).....	\$3,719,488.44	
Bonds and Stocks.....	7,318,303.62	
Due from Banks.....	3,986,323.65	
Cash on Hand.....	1,761,020.46	
Demand Resources.....		\$16,785,136.17

LIABILITIES

Capital Stock.....	\$3,000,000.00	
Reserved for Taxes and Interest.....	36,818.93	
Undivided Profits.....	466,951.47	3,503,770.40
Demand Deposits.....	\$9,096,327.57	
Time Deposits.....	8,179,314.65	\$17,275,642.22
		\$20,779,412.62

GEORGE M. REYNOLDS, President

JOHN JAY ABBOTT, Vice-President CHAS. C. WILSON, Cashier WM. P. KOPF, Asst. Secretary
The combined deposits of these banks on September 1, 1910, date of
Comptroller's call, were..... \$174,964,890.99
Their combined deposits at this date are..... 187,901,957.25

REPORT OF THE CONDITION OF

THE MERCHANTS LOAN AND TRUST COMPANY

Of Chicago, at the Commencement of Business, March 8th, 1911

RESOURCES

Loans and Discounts.....	\$29,536,129.05	
Bonds and Mortgages.....	9,518,464.05	
Due from Banks.....	\$20,201,677.37	
Cash and Checks for Clearing House.....	7,811,770.29	28,013,447.66
		\$67,068,040.76

LIABILITIES

Capital Stock.....	\$ 3,000,000.00	
Surplus Fund.....	5,000,000.00	
Undivided Profits.....	1,110,397.52	
Reserved for Accrued Interest and Taxes.....	159,596.08	
Deposits.....	57,798,047.16	
		\$67,068,040.76

GENERAL BANKING

Accounts of banks, merchants, corporations and individuals solicited

DIRECTORS

Enos M. Barton William A. Gardner Thies J. Lefens Edward L. Ryerson
Clarence A. Burley Edmund D. Hulbert Cyrus H. McCormick Orson Smith
Elbert H. Gary Chauncey Keep John S. Runnells Moses J. Wentworth

OFFICERS

Orson Smith, President P. C. Peterson, Assistant Cashier
Edmund D. Hulbert, Vice President C. E. Estes, Assistant Cashier
Frank G. Nelson, Vice President Leon L. Loehr, Secretary and Trust Officer
John E. Blunt, Jr., Vice President F. W. Thompson, Mgr. Farm Loan Dept.
J. G. Orchard, Cashier H. G. P. Deans, Mgr. Foreign Dept.

135 ADAMS STREET

Fort Dearborn National Bank CHICAGO

Report of the Condition at the Close of Business, March 7th, 1911

RESOURCES

Loans and Discounts.....	\$14,005,227.06	
Overdrafts.....	2,420.34	
United States Bonds, par value.....	1,000,000.00	
Other Bonds and Securities.....	1,268,927.61	
Real Estate.....	1,000.00	
Due from U. S. Treasurer.....	58,702.50	
Cash and Sight Exchange.....	8,218,419.67	
		\$24,554,697.18

LIABILITIES

Capital Stock paid in.....	\$1,500,000.00	
Surplus and Undivided Profits.....	479,663.89	
Circulation.....	1,000,000.00	
Dividends unpaid.....	76.50	
Deposits.....	21,574,956.79	
		\$24,554,697.18

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84
February 5, 1909.....	11,617,691.24
March 29, 1910.....	15,041,357.21
January 7, 1911.....	16,736,997.29
March 7, 1911.....	21,574,956.79

OFFICERS

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEO. H. WILSON, Assistant Cashier CHARLES FERNALD, Assistant Cashier
THOMAS E. NEWCOMER, Assistant Cashier

DIRECTORS

JOHN A. KING D. EDWIN HARTWELL C. A. BICKETT
WALTER S. BOGLE CALVIN H. HILL WM. A. TILDEN
CHAS. A. PLAMONDON RICHARD FITZGERALD NELSON N. LAMPERT
CHAS. W. HINKLEY RAYMOND W. STEVENS J. FLETCHER FARRELL
HENRY R. KENT

We solicit accounts of banks, corporations, firms and individuals, and we endeavor to give prompt and efficient service by personal and courteous attention to our customers

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877. As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECUTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agent for National Banks

The Central State Bank of Des Moines has been granted a temporary injunction restraining holders of several certificates of deposits, secured by E. J. Penfield, missing president of the Bank of Kelley from disposing of them. It is alleged that Penfield collected \$5,250 from the institution and \$3,200 from the Boone National upon bogus drafts prior to his recent disappearance.

The Commercial Savings has opened for business in Iowa City. The bank was recently organized with a \$50,000 capitalization. Henry Negus is president and John Plank is cashier.

Des Moines, March 8.—R. S. Graeber, cashier of the Bank of Sheldahl, has been made receiver for the Bank of Kelley which was forced to close when E. J. Penfield, its president, disappeared. He was named at the request of a committee of five depositors consisting of Carl Rosenfelt, Arthur Freed, George Starr, Anton Reinertson and Nels Ansenon. Proceedings in bankruptcy were also started by depositors of which George Holland, who lost \$3,000 was the heaviest loser. The schedule as filed showed 120 depositors who are known to have lost as a result of the bank failure. It has developed that sometime ago a circular was issued in which Henry Banks, father-in-law of Penfield and C. F. Siverly, formerly cashier of the bank claimed to be partners with Penfield. In that case they will be held for the amount of Penfield's shortage. No trace of Penfield has been found except that he was seen in Chicago the Saturday night of his disappearance. By a system of check kiting, Penfield had accumulated a good sized amount of money before he disappeared, according to Des Moines bankers.

Popular Banker Dies

The death of Herme F. Hahnen, chief clerk of Iowa National, was one of the saddest in Des Moines in many days. Hahnen was one of the most popular bank employees in Des Moines. He was 31 years of age and is survived by a wife and two children. The young man was taken to the hospital for an operation for appendicitis. Afterwards, peritonitis set in, he grew rapidly worse and after a game fight, expired. The funeral services were large attended.

Land Business Falls Off

It is not probable that any city in Iowa showed a gain in bank clearings for February as compared with February last year. Des Moines banks fell considerably behind as did also Sioux City. Bankers say that there is not the same activity in the land market this year as last. It is stated that land values were possibly a trifle inflated at that time so that land which was bought then cannot be sold now at a profit. Moreover banks notice a slight falling off in the inclination of farmers to invest in farms this year and as it is farm transfers and papers that usually add to the business of the first of March, it is not difficult to understand the falling off in clearings. Reports from Hampton indicate that the business there March 1st and 2d was the largest ever done in two days. Doubtless this is also true in many of the smaller towns of the state.

Killing of L. L. Hoyt

Iowans were shocked at the murder in Chicago of Leslie L. Hoyt of Manchester, brother of State Senator E. H. Hoyt of Lamont and grandson of the late A. R. Loomis who founded the First National at Manchester. The deceased owned much of the stock in this latter institution. The body was brought to Des Moines by Senator Hoyt and taken to Lamont for burial. Senator Hoyt believes that his brother was slugged by mistake and that a party of men and women who started the fight mistook him for one of their number. Senator Hoyt is a banker at Lamont.

Prepare for Convention

Vice-President G. E. MacKinnon of the Iowa Bankers Association, P. W. Hall, secre-

tary, and L. E. Stevens, president of the Century attended a meeting at Mason City Friday at which time arrangements were made for the coming state convention of the association. A tentative list of speakers was selected and from this list the program will be made up. The state convention will be held at Mason City in June.

Sioux City's Honor

The Sioux City national banks were ready for the change when on March 1st, that city was made a reserve center. Numerous banks throughout northwestern Iowa, southeastern South Dakota, southwestern Minnesota and northeastern Nebraska had applied for the privilege of sending their funds to the Sioux City institutions. For instance, the First National of which John McHugh is president had the accounts of 100 institutions in the surrounding territory. The bankers had been preparing for some months for the change from a 15 per cent to a 25 per cent reserve basis. Sioux City bankers have been seeking for years to have that city made a reserve center as they believe it means much to the city from a commercial and financial standpoint.

Interesting Case

An interesting law suit has followed the divorce affairs of Banker Healey of Britt, and his wife, Mrs. Lillie Healey. The latter has been sued for \$25,000 for defamation of character by Mrs. Charlotte Rohrback who was prior to her marriage recently, the widow of one Minturn, a railroad division superintendent. Jacob Rohrback, husband of the plaintiff in this suit, has commenced an action for \$2,500 against State Senator John Hammill alleging that the latter violated an agreement as regarded a land partnership.

Banker Runs for Mayor

Representative George W. Koontz of Iowa City, the veteran banker and popular member of the lower house in the Iowa legislature for many years has a boom for mayor of Iowa City. His boomlet follows the announcement of the present mayor, Ralph Otto that he will not be a candidate for re-election.

Saturday Night Opening

One of the Davenport newspapers which has been agitating the question of the banks of that city remaining open on Saturday night recently took a Saturday night census of the banks at Moline which remained open from 7 to 8. The census showed that 842 people did business with the four Moline banks that hour. According to the newspaper, the Moline bankers declared that this number was below the average if anything and also stated that the opening at Saturday night had added materially to their deposits.

General News

It is possible that the Central State will be able to start its new building in the spring instead of a year later. This is because some of those now holding leases on the building have given them up. The Postal Telegraph Company is now the only remaining tenant and it is expected to vacate soon.

Mrs. Jane Glick, widow of the late Dr. George Glick, for many years president of the First National at Marshalltown died last week after an illness of long duration. The late Dr.

BANKERS TRUST COMPANY

7 WALL STREET, NEW YORK

Capital, - - - \$3,000,000
 Surplus and Profits, - - - \$6,000,000

DIRECTORS

STEPHEN BAKER,
 President Bank of Manhattan Co., New York
 SAMUEL G. BAYNE,
 President Seaboard National Bank, New York
 EDWIN M. BULKLEY,
 Spencer Trask & Co., Bankers, New York
 JAMES G. CANNON,
 President Fourth National Bank, New York
 EDMUND C. CONVERSE,
 President, New York
 THOMAS De WITT CUYLER,
 President Commercial Trust Co., Philadelphia
 HENRY P. DAVISON,
 J. P. Morgan & Co., Bankers, New York
 E. HAYWARD FERRY,
 V.-President Hanover National Bank, New York
 WALTER E. FREW,
 President Corn Exchange Bank, New York
 FRED'K T. HASKELL,
 V.-Pres't Illinois Trust & Savings Bank, Chicago
 A. BARTON HEPBURN,
 Chairman of the Board, Chase Nat'l Bank, N. Y.
 THOMAS W. LAMONT,
 J. P. Morgan & Co., Bankers, New York
 EDGAR L. MARSTON,
 Blair & Co., Bankers, New York

JOSEPH B. MARTINDALE,
 President Chemical National Bank, New York
 GATES W. MCGARRAH,
 Pres't Mechanics' & Metals Nat'l Bank, N. Y.
 GEORGE W. PERKINS,
 New York
 DANIEL E. POMEROY,
 Vice-President, New York
 WILLIAM H. PORTER,
 J. P. Morgan & Co., Bankers, New York
 DANIEL G. REID,
 Vice-President Liberty National Bank, New York
 BENJ. STRONG, Jr.,
 Vice-President, New York
 EDWARD F. SWINNEY,
 President First National Bank, Kansas City
 GILBERT G. THORNE,
 Vice-President National Park Bank, New York
 EDWARD TOWNSEND,
 Pres't Importers' & Traders' Nat'l Bank, New York
 ALBERT H. WIGGIN,
 President Chase National Bank, New York
 SAMUEL WOOLVERTON,
 President Gallatin National Bank, New York

E. C. CONVERSE, Pres. B. STRONG JR., V. P.
 D. E. POMEROY, V. P. F. I. KENT, V. P. F. N. B. CLOSE, Sec'y.
 H. W. DONOVAN, Treas. H. F. WILSON Jr., Asst. Sec'y R. H. GILES, Asst. Treas.

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 TINTED in colorings abso-
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Mounted and colored on
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We save you thirty per cent
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 samples sent.

FANS AND
 POST CARDS
 TOO

National Colortype Co.
 CINCINNATI

Glick and his widow had lived in Marshalltown since 1856.

The Farmers Security has been organized at Vincent although articles have not been filed at this writing. T. P. Swansand, owner of a general store at Vincent is the chief mover in the organization.

The Boone State at Boone has filed articles with the secretary of state. The capital stock is \$50,000. T. L. Ashford is president; J. H. Rickenberg is vice-president; Archie Patterson is cashier.

The Farmers Savings at Larchwood has amended its articles increasing the capital stock from \$10,000 to \$25,000.

It is not often that a woman is arrested for forgery but this is the fate that befell Mrs. Jessie Emmert of Dexter who was arrested at Menlo charged with floating a number of small checks. She was preparing to join her husband who had preceded her to South Dakota by a month.

The First National at Sheldon has started the work of remodeling its building. Important changes are planned.

Elmer Schee of Indianola, youngest son of Lewis Schee of the Indianola Banking Company, was married last week in Osceola to Miss Eva E. Evans of that city.

The decree of Judge Dickinson fining A. D. Clarke, formerly an Algona banker \$250 for contempt of court, carried with it other conditions. For instance, Clarke is to pay his wife \$117,000 in bankable notes and pay her attorney a fee of \$10,000; he must pay his own attorneys \$15,000. The case grew out of divorce proceedings started by Clarke while his wife was in Nevada. She made a showing that she

did not receive proper notice of the suit and secured injunctions preventing Clarke from disposing of certain property. Clarke disregarded the injunction and was haled up for contempt.

The bank at Greenville was destroyed in a fire which did damage of \$20,000 to the business section of that city one night last week. The cause of the fire has not been learned.

The Citizens Savings at Waterloo has completed plans for a new three story building which will be one of the finest of many splendid bank buildings in Waterloo.

The State Central of Keokuk has doubled its capital stock and will operate hereafter with a capitalization of \$20,000. This is one of the largest increases in capitalization of a state bank in many months.

Among out of the city bankers who have been in Des Moines the past few days are Harry Johnson, assistant cashier of the Cedar Falls National at Cedar Falls who was in Des Moines a guest of his father-in-law, N. W. Beebe, a banker at Hampton and member of the Iowa legislature; Cashier O. Van Horn, Bank of Runnells; Cashier H. J. Holmes, Perry Savings; President P. J. Reideisel, Oto Bank; Cashier W. Carpenter, Lacona Bank; Assistant Cashier J. Buckley, Prairie City Bank; Assistant Cashier A. S. Warren, Bank of Monroe.

OREGON BANKING LAWS

Stricter banking regulations are proposed in the bills before the Oregon state legislature. Oregon has suffered bank failures during recent years which call for more rigid supervision and management. Banking interests are supporting amendments prohibiting branch banks and limiting the capital of new banks to \$50,000 within a radius of two miles from Portland postoffice.

Another provision requires directors to make four examinations a year of every loan and investment, with report from the cashier. Two stockholders, not officers, are required to go over the books each year twice and report their finding to the superintendent of banking. In order to prevent an undue multiplication of small banks, minimum capital is fixed at \$15,000, based on population, with \$100,000 in cities of 100,000 people. A novel feature allows bankers thirty days' notice of withdrawal of sums up to \$100, sixty days to \$500, ninety days to \$1,000, four months to \$3,000 and six months to any amount over \$3,000. This is intended to prevent runs in times of panic.

BANK OPEN EVENINGS

The Harriman National Bank, New York, successor to the Night and Day Bank, will remain open for business in the evening.

Mrs. J. H. Zornes is completing a building at Lamont, Wash., to be occupied by the Lamont State Bank.

First Trust Company of Moscow, Idaho, has increased its capital stock from \$25,000 to \$50,000.

L. MANASSE

88 MADISON ST.
 Tribune Bldg.



CHICAGO

ESTABLISHED 1868

SPECTACLES AND EYE GLASSES SCIENTIFICALLY FITTED AND ADJUSTED
 EXAMINATION FREE OF CHARGE

SPENCER TRASK & CO. ON THE RATE DECISION

New York, March 6.—Spencer Trask and Company in their March circular ably review the rate decision, a matter of greatest public interest. They say that over-topping in importance any occurrence in the month just passed, and over-shadowing in its influence all other decisions of recent date, was the pronouncement of the interstate commerce commission on the railroad rate case. A decision at least partially favorable to the railroads had been so generally, even so confidently, expected, that it was no longer a question in the minds of most men as to whether the commission would decide in favor of the shippers or the railroads, but whether the railroads would be allowed to increase their rates to the extent of 50 or 60 or 75 per cent of their demands. Consequently, when the ruling of the commission was announced, the London and New York Exchanges witnessed one of the most violent breaks in the stock market that has been seen in many months. The dust caused by the explosion still is in the air and prevents a clear insight into the future effects, but for our part we believe that the decision will have no lasting ill effects on the transportation companies, and that it may even prove of benefit as it will furnish a strong argument against any demand of labor for higher wages, and even may have forestalled a movement for a reduction in rates. The fact too that the commission after exhaustive examination claims to have found the railroads in such strong shape as to make additional revenues through freight advances unnecessary, is likely to be construed as a bull argument, and even may facilitate the placing of important loans, particularly abroad, where the decision appears to have made a favorable impression. Moreover it should be remembered that the decision does not effectually close the door to increases in the future, if such should be found imperative, but merely puts it up to the railroads to prove that such increases would be necessary for the "security and lasting value of legitimate investment and an adequate return upon the value" of the properties, to quote a passage from the decision itself.

There has not yet been time for the railroads to decide on any definite policy, but the opinion generally is held that they will let matters rest as they are, at least for a time, leaving future results to shape the course of action that should be taken. The Pennsylvania is reported to have expressed itself as prepared to bow to the decision, and while some companies less favorably placed financially may make a certain show of fight we still believe the situation will be given a chance to work itself out.

In the meantime the decision has cast a chill, which it is hoped may prove only temporary, over the steel situation, and also has reflected itself in a hesitation on the part of the railroads to increase their commitments for equipment. While this of course is unfortunate, a hand to mouth policy may nevertheless not be altogether a bad thing, as it will further tend to liquidate the economic position of the country. We are viewing with gratification the gradual improvement in the business world along lines which we consider distinctly sane and which should eventually make for a much healthier condition of affairs. Stocks have been liquidated, money is easy, commodity prices are on a more normal level and continue to tend downward, while labor has now less cause than ever to make disturbing demands.

Thus, fundamental conditions are improving in different directions. We do not, however, wish to appear as looking upon the present as a good time to load up with stocks in anticipation of a bull period. The very fact that the unexpected rate decision caused a heavy fall in prices, should of itself make the market

more cautious in accepting the cut and dried view that the decision of the supreme court on the Standard Oil and American Tobacco cases will be unfavorable to the companies while at the same time pointing out how they may continue to operate without contravening the law. It is better to be cautious before than after the event. The judges of the court at present are going over the briefs and arguments of these cases, and a decision may, therefore, be expected on any Monday.

Another event of importance to the railroad world, which may also properly be referred to as having occurred in February, has been the practical resignation of George Gould from the direction of the roads which have been so long associated with his name. For many years it has been felt that the position of these lines lent a feeling of security to the railroad situation in the Middle West, and now that strong financial banking interests have obtained control, the eventual prosperity of what was formerly known as the Gould system appears more assured.

HOW TO LIVE IN A COUNTRY HOME

The Outing Publishing Company of New York for nearly thirty years has conducted America's premiere Outing Magazine and has produced in that time a host of out-door books. These publications are looked upon as authority and cover the entire out-door realm from back yard gardening to aviation. There are books upon fishing, hunting, golfing, college sports, the country home, sailing, automobilism, dogs and horses. The latest and most interesting volume to come from this enterprising publishing company is "How to Live in the Country," by E. P. Powell. This work is written from the author's own experience and is intended to teach you how to obtain both happiness and profit from country living. He does not deal with the country estate calling for large grounds and enormous outlay but rather with the place of small acreage including the garden, the orchard, the lawn, the house, the stable, and all of its animal life. His purpose really is to tell how to create a real country home,—one in which a man may live happily and in comfort, and which will even produce a revenue. Mr. Powell's religion is to keep more boys from straying away from the farm to engage in work in factories and in the deadening city life.

The following topics and chapter heads will give a fair idea of the subjects covered in "How to Live in the Country." They are: Finding the Place; First Steps Towards the Home; Building the House; Making the Gardens; Planning for Beauty in Lawns and Shrubbery; Our Rivals and Our Allies; Orchard Making; Fixing and Improving the Soil; Animal Training in the Country Home; Fine Arts of a Country Home; Can we Make it Pay?; and the Social Side of Country Life. There are nearly twenty full page illustrations and the volume is well written, and beautifully printed and bound. Wherever the author has not been able to place his subject before his reader to his complete satisfaction by use of the text, pictures have been employed. The volume contains three hundred pages and retails for \$1.75. It is an enjoyable, practical, and helpful book.

BANK CASHIER IS ARRESTED

Oklahoma City, Okla., March 8.—A. E. Folsom, formerly cashier of a Canadian (Okla.) bank, was arrested here to-day charged with forging the name of A. U. Thomas, a McAlester banker, to paper involving several thousand dollars. Most of the alleged bogus paper is said to have been cashed at Houston and Galveston, Texas.

SOMETHING FOR YOU TO THINK ABOUT

To the Editor: The recent published interview of Mr. Spreckels with Mr. Bryan (published in the Lincoln, Neb., papers) is highly significant. Perhaps some Lincoln property owners and business men were startled by Mr. Spreckels' veiled hint at coming revolution and his declaration that experience has caused him to doubt somewhat the efficacy of the ballot as a remedy to lessen the growing antagonism between the rich and the poor. Those who may think Mr. Spreckels too radical should read the recent predictions, of Ohio C. Barber, organizer of the match trust, and the writings of Harold Bolce and Prof. George D. Herron. It should be borne in mind that Mr. Spreckels' message is primarily intended as a warning from a rich man to all owners of property, whether rich or of moderate means.

I believe Mr. Spreckels did not touch upon a phase of the economic and labor situation that is being quietly discussed among the big financiers of the East, and that is the relation of the liquor traffic to the rapidly increasing antagonism between those who have and those who have not. The belief is gaining ground in financial and business circles that the safety of money and property requires that the liquor traffic shall be suppressed as an act of social and police necessity. The reason is that the saloon creates conditions which make too many extreme radicals. Complaint is made that many people who investigate the saloon-made slums come out socialists at heart, whereas with the saloon and its slums abolished their attention would not be so much drawn to economic questions. It is also stated that the railroads and other big corporations have learned that the drinking men among their employees cause them the most trouble. Some financiers declare that the saloon alone is responsible for at least two-thirds of the "horrible examples" held up to the public gaze by socialists and radicals, and that were the liquor traffic abolished and the immense sums now spent for liquor by the working class invested in better food, better clothes and better housing conditions, the number of agitators would be materially reduced. It was reported from Milwaukee some time ago that the wealthy Pabst family, seeing a storm coming, were disposing of their brewery stocks and investing in land.

Do the property owners, the business men and the retired farmers of Lincoln, who hope to spend their days in peace and quietness, want to add to that crowd of saloon-made, desperate have-nots which the historian Macaulay declared will certainly ravage the United States in the twentieth century? If they do they will vote for twenty-five saloons at the coming election. "If any man leadeth into bondage, into bondage he goeth," the Bible declares.

F. J. IRWIN.

Lincoln, March 6.

ALWAYS PAYS TO ADVERTISE

Binghamton, N. Y., March 6.—Last Saturday nearly all the merchants by agreement gave up their regular advertising space in the newspapers to the city ministerial association, which filled the papers with display advertising urging the public to attend church. As a result every church was filled to overflowing yesterday.

Swan A. Anderson, cashier of the Scandinavian-American Bank of Spokane, is a candidate for commissioner under the new form of government. Before locating in Spokane he was engaged in business at St. James, Minn., Troy, Mont., and Salt Lake City.

Report of the Condition of the

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

Report at Commencement of Business, March 8, 1911

RESOURCES

Loans and Discounts.....	\$7,826,467.63
Bonds.....	519,537.11
Overdrafts.....	1,128.14
Cash and Sight Exchange.....	3,686,834.79
Furniture and Fixtures.....	12,500.00
	\$12,046,467.67

LIABILITIES

Capital.....	\$1,250,000.00
Surplus and Profits.....	187,857.14
Deposits.....	10,608,610.53
	\$12,046,467.67

OFFICERS

JOSEPH E. OTIS, President	A. E. COEN, Assistant Cashier
WALTER H. WILSON, Vice-President	W. G. WALLING, Secretary
WILLIAM C. COOK, Vice-President	LLOYD R. STEERE, Assistant Secretary
LAWRENCE NELSON, Vice-President	LOUIS H. SCHROEDER, Mgr. Bond Dept.
HARRY R. MOORE, Cashier	J. J. RAHLF, Mgr. Foreign Exchange Dept.
ADDISON CORNEAU, Ass't Cashier	

Directors. Edgar A. Bancroft, Scott, Bancroft & Stephens; William C. Boyden, Matz, Fisher & Boyden, Attorneys; William Butterworth, Pres. Deere & Co., Moline, Ill.; R. Floyd Clinch, Crerar, Clinch & Co., Coal; H. J. Evans, Director National Biscuit Co.; Joseph Downey, Real Estate; C. H. Hanson, Pres. C. H. Hanson (Inc.); W. O. Johnson, Gen'l Counsel and Director Erie R. R.; John R. Mitchell, Pres. Capital National Bank, St. Paul, Minn.; Joseph E. Otis, President; Ralph C. Otis, Real Estate; B. F. Peck, Trustee, Est. C. H. Deere, Moline, Ill.; James W. Stevens, Pres. Illinois Life Ins. Co.; Fred W. Upham, Pres. City Fuel Co.; W. A. Wieboldt, W. A. Wieboldt & Co., Department Store; Walter H. Wilson, City Comptroller; Geo. Woodland, Pres. Prairie State Bank.

THE NATIONAL BANK OF THE REPUBLIC

OF CHICAGO

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS, MAR. 7, 1911

RESOURCES

Loans.....	\$18,376,366.63
United States Bonds at par.....	1,111,000.00
Cash and Exchange.....	10,217,098.39

LIABILITIES

Capital Stock Paid in.....	\$ 2,000,000.00
Surplus.....	1,000,000.00
Undivided Profits.....	328,007.65
Reserved for Taxes.....	35,000.00
Currency in Circulation.....	1,009,000.00
Bond Account.....	29,000.00
Deposits.....	25,305,487.37

Total.....\$29,706,495.02

Total.....\$29,706,495.02

OFFICERS—JOHN A. LYNCH, Pres. W. T. FENTON, V.-Pres. R. M. McKINNEY, Cashier O. H. SWAN, Asst. Cash. JAMES M. HURST, Asst. Cash. W. B. LAVINIA, Asst. Cash. W. H. HURLEY, Asst. Cash.

BOARD OF DIRECTORS—JOHN A. LYNCH, President. CHARLES H. CONOVER, Vice-President Hibbard, Spencer, Bartlett & Co. CHARLES R. CRANE, Vice-President Crane Co. JOHN V. FARWELL, of J. V. Farwell Co. H. W. HEINRICH, Vice-President M. D. Wells Co. ROLLIN A. KEYES, Pres. Franklin MacVeagh & Co. ROBERT MATHER, Chairman Westinghouse Electric and Mfg. Co. JOHN R. MORRIS, President Peter Cooper's Glue Factory, Pres. Atlas Portland Cement Co. HENRY SIEGEL, President Simpson Crawford Co., N. Y. E. B. STRONG, Capitalist. LOUIS F. SWIFT, President Swift & Co. FRANK E. VOGEL, Vice-President Siegel, Cooper & Co. W. T. FENTON, Vice-President

COLONIAL TRUST & SAVINGS BANK

205 LaSalle Street

CHICAGO

Statement of condition at close of business March 7, 1911

RESOURCES

Loans and discounts.....	\$3,843,671.56
Bonds.....	382,609.50
Furniture and Fixtures.....	11,700.00
Cash and sight exchange.....	1,987,431.12
	\$6,225,412.18

LIABILITIES

Capital stock.....	\$ 600,000.00
Surplus and undivided profits.....	473,133.34
Deposits.....	5,152,278.84
	\$6,225,412.18

OFFICERS

LANDON CABELL ROSE, President	JACOB MORTENSON, Vice President
R. C. KELLER, Vice Pres. and Cashier	EMIL STUEDLI, Assistant Cashier
W. F. DOGGETT, Assistant Cashier	

ESTABLISHED 1879

State Bank of Chicago

S. E. Cor. LaSalle and Washington Streets

CONDENSED REPORT, MARCH 8, 1911

RESOURCES

Loans and Discounts.....	\$17,516,491.21
Overdrafts.....	7,645.20
Bonds.....	1,813,078.57
Cash and Due from Banks.....	8,171,645.36
	\$27,508,860.34

LIABILITIES

Capital Stock.....	\$ 1,500,000.00
Surplus (Earned).....	1,500,000.00
Undivided Profits.....	422,278.51
Reserved for Interest and Taxes.....	47,661.67
Dividends Unpaid.....	69.00
Deposits.....	24,038,851.16

\$27,508,860.34

OFFICERS—J. A. GODDARD, President; JOHN R. LINDGREN, Vice-President; HENRY A. HAUGAN, Vice-President; HENRY S. HENSCHEN, Cashier; FRANK I. PACKARD, Assistant Cashier; C. EDWARD CARLSON, Assistant Cashier; SAMUEL E. KNECHT, Secretary; WILLIAM C. MILLER, Assistant Secretary.

BOARD OF DIRECTORS—DAVID N. BARKER, Manager Jones & Laughlin Steel Co.; J. J. DAU, President Reid, Murdoch & Co.; CALVIN DURAND, President Durand & Kasper Co.; THEO. FREEMAN, Retired Merchant; L. A. GODDARD, President; H. G. HAUGAN, Ex-Comptroller Chicago, Milwaukee & St. Paul Ry.; OSCAR H. HAUGAN, Manager Real Estate Loan Department; JOHN R. LINDGREN, Vice-President; WM. A. PETERSON, Proprietor Peterson Nursery; GEO. E. RICKCORDS, Chicago Title & Trust Co.; MOSES J. WENTWORTH, Capitalist.

YOUR BUSINESS INVITED

Strong Program

A strong program has been prepared for the Missouri-Kansas joint meeting of state bankers associations at Kansas City, Wednesday evening, May 24th. Its principal features are:

Meeting called to order by J. F. Downing, president Kansas City Clearing House Association.

Address, "Kansas from the Viewpoint of a Missourian," Hon. David R. Francis, vice-president Merchants-Laclede National Bank, St. Louis, Missouri, ex-governor of Missouri.

Address, "Missouri from the Viewpoint of a Kansan," Hon. W. J. Bailey, vice-president Exchange National Bank, Atchison, Kansas, ex-governor of Kansas.

Address, "The American Bankers Association," Mr. F. O. Watts, president American Bankers Association, Nashville, Tennessee.

Address (Subject not yet announced), Hon. Franklin MacVeagh, secretary of the treasury, Washington, D. C.

The bank guaranty bill, recently introduced at Springfield has been killed.

MAY ENTER INSURANCE FIELD

Tacoma, Wash., March 8.—The Teats' employers' liability bill, which provides that Washington shall engage in the casualty insurance business on a large scale, passed the legislature last night and awaits only the governor's signature to become a law. Supporters of the bill had a bare majority. Teats' bill provides that every class of industry in the state shall pay into the state fund an annual tax supposed to be proportionate to the hazard of industry. The funds thus created will be administered by a commission of three appointed by the governor. Injured employees and families of employees killed at work are to be compensated according to a fixed schedule specified by law. For death or total disability \$4,000 will be paid.

The tendency of foreign exchange during the last few days has been upward, with the exception of francs, which have been weaker. The quotations are as follows: Bankers' demand sterling, 4.86 $\frac{3}{8}$; bankers' 60 days sterling, 4.84 $\frac{1}{8}$; bankers' check francs, 5.19 $\frac{3}{8}$ less $\frac{1}{16}$; bankers' 60 days francs, 5.21 $\frac{7}{8}$; bankers' check marks, 95 $\frac{1}{8}$ less 1-32; bankers' 60 days marks, 94 9-16.

Wheat Erratic

Wheat prices have been erratic this week. There was an advance of 4 cents from the low price of last week, May option going to 92 and July to 90. There has been some decline from these figures.

Estimates of the crop reporting board on the quantity of wheat on farms March 1, 1911, are about 179,690,000 bushels, or 25.8 per cent of the 1910 crop on farms, against 173,344,000 bushels, or 23.5 per cent of the 1909 crop on farms March 1, 1910, and 154,031,000 bushels, or 23.3 per cent, the average for the past ten years.

Reserves of corn and oats also are unusually large.

With the publication of these statistics speculators are in a better position than formerly to make up their minds about the future of grain.

Oliver C. Fuller, president of the Wisconsin Trust Company, returned to Milwaukee, Wednesday, after a three weeks absence spent in Florida.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Miscellaneous

For Sale. Two safe deposit vaults. One medium size, suitable for banks, also one large vault with two entrances. Also two bank chests. For particulars, address, Max Schubert, 757 Washington Avenue, No., Minneapolis, Minn.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, i. e. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/4 inch Goerz Dagor, Volule shutter. Value \$97.50. Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Wanted. Young man to become financially interested, and take the cashiership in a new bank about to be organized. Write J. M. Dale, Moline, Illinois.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VELEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

FAMOUS HOTEL IS SOLD

The sale of the Briggs House, which had been pending for the last two weeks, was closed yesterday, the purchaser being Albert H. Loeb, vice-president of Sears, Roebuck and Company, who acquired the property for \$500,000.

William Briggs erected the building in 1851, and at that time it was the largest and most pretentious hotel structure west of the Alleghany Mountains. It housed a number of the great men of the country and Lincoln's first campaign for the presidency was conducted from it. The property has been held by the same family for nearly three-quarters of a century. The original building was destroyed by the fire of 1871, after which the present hotel was erected.

Department of New Business

Waco, N. C.—The Peoples Bank has been chartered with a capital of \$15,000. W. V. Smith, A. W. Black and others are promoters.

Warsaw, Ill.—Farmers National Bank. Capital, \$25,000. John C. McMahan, president; John M. Hungate, cashier.

Newville, Ala.—First National Bank. Capital \$25,000. J. W. Whiddon, president; M. V. Capps, vice-president; J. W. Capps, cashier, T. H. Deal, assistant cashier.

Chaffee, Mo.—First National Bank. Capital \$25,000. F. W. Ley, president; J. Claude Wylie, vice-president; E. A. Reissaus, cashier; W. D. Ley, assistant cashier. Conversion of the Chaffee State Bank.

Williamsburg, O.—First National Bank. Capital, \$25,000. Nathaniel T. Dailey, president; James H. White, vice-president; James E. McKrever, cashier.

Fernandina, Fla.—Citizens National Bank. Capital, \$50,000. Carl Warfield, president; F. W. Hill, vice-president, S. A. Swain, cashier; W. D. Bogart and L. A. Wye, assistant cashiers.

Shelton, Conn.—The Shelton Trust Co. has been organized here. Capital, \$50,000. Promoters, Edward W. Kcen, Steven Palmer, A. R. Smith, G. H. Newcombe and others.

Sherman, Tex.—The American Bank & Trust Co. has been organized in this place. Capital \$100,000.

Toledo, O.—The Maunee Valley Savings Co. has been organized. Capital \$250,000.

Tulsa, Okla.—The Night and Day Bank has been organized here. Capital \$50,000.

Vernon, Tex.—The First Guaranty State Bank has been chartered. Capital, \$50,000. Promoters, W. T. Waggoner, G. L. Green and J. H. Knichole.

Waycross, Ga.—The Waycross Savings & Trust Co. has been organized. Capital, \$100,000. L. J. Cooper, president; J. S. Williams, vice-president, and D. F. Arthur, secretary.

Weston, Tex.—The Weston Guaranty State Bank has been chartered for this place. Capital, \$10,000.

Wilson, Colo.—The First State Bank has been organized. Capital, \$10,000. Henry D. Tudor, president; B. H. Tallmadge, vice-president, and F. C. Tallmadge, cashier.

Altoona, Ia.—The Altoona Savings Bank has been incorporated. Capital, \$10,000. Incorporators, J. E. Reid, H. H. Hammary, O. H. Pearson, Joseph C. Garwick and J. V. Lee.

Atlanta, Ga.—The Travelers' Bank of Atlanta has been chartered. Capital, \$200,000. Promoters, James L. Mayson and W. A. Fuller.

Bowling Green, Mo.—A new bank has been incorporated. Those interested are S. N. Gillum, Cyrene; J. R. McCume, Curryville; W. S. Holiday, Louisiana; R. R. Sanderson, M. O. Biggs, J. S. Johnson, Lacellis Nevillo, N. S. Adams, W. P. Hawkins, Frank Taylor, L. E. Meyer, H. H. Feldman, W. C. Barron, of Bowling Green.

Delphos, O.—The People's Bank of Delphos has been incorporated. Capital, \$50,000. Edward L. Stallkamp and others are interested.

Flynn, Va.—A new state bank is being organized here. C. Thompson, G. D. Cozard and A. M. Beaman are interested.

Flandreau, S. D.—The Farmers State Bank has been organized with C. S. Brakke as president.

McDonough, Ga.—The Farmers and Merchants Bank has been chartered with a capital

of \$30,000 by D. J. Breen, H. J. Turman and others.

Etowah, Ala.—The Etowah Savings Bank has been organized.

Wellsford, Kan.—The Wellsford State Bank has filed articles of organization with a capital of \$10,000.

Hampshire, Tenn.—A new bank is to be organized here with a capital of \$10,000. John T. Akin will be president.

Plain, Wis.—The Plain State Bank has been chartered with a capital of \$10,000. John Beck, John Hess and others are promoters.

Bowman, Ga.—The Farmers Bank has been chartered with a capital of \$25,000. R. L. Rice and others are interested.

Norway, S. C.—The Farmers and Merchants Bank has been granted a charter with a capital of \$20,000. J. F. Bates, C. T. Fowling, H. P. Fulmer, J. C. Spiers, H. E. Garick, W. G. Sanford, J. D. Garick, W. C. Williamson, L. B. Fulmer and J. D. Lybrand are promoters.

Hampshire, Tenn.—The Hampshire Bank has been organized with a capital of \$10,000. John T. Akin is president, V. A. McClanahan vice-president and C. A. Ross, cashier.

Industry, Tex.—The First Guaranty State Bank has been organized with a capital stock of \$10,000.

Westby, Wis.—The Bank of Westby has filed articles of organization with a capital of \$10,000. Jens Davidson and C. W. Jaeger, cashier.

Pinconning, Mich.—The Peoples State Bank has been chartered with a capital of \$20,000. John F. Varty is interested.

Adairsville, Ga.—The Citizens Bank is being organized at this place with a capital stock of \$25,000. J. E. McCullough is interested.

Dearing, Ga.—A new bank is to be organized at this place. J. D. Howard, of Millidgeville, Ga., is interested.

Philip, S. D.—The Security Banking and Trust Company, with a capital of \$30,000, has been chartered by H. B. Fislar and H. F. Walldrof.

Hoffman, Minn.—The Farmers State Bank has been incorporated with a capital of \$12,000. P. O. Ununb, Erick S. Peterson, William Ostenson and others are promoters.

Radium, Kan.—The State Bank of Radium has been chartered. John Bauer is president and George Schumaker cashier.

Memphis, Tenn.—The Exchange Bank and Trust Company has filed articles of organization, with a capital of \$25,000. D. O. Wheeler, J. B. Sloan, Jr., E. C. Newman and others are promoters.

Shelbyville, Tenn.—The Duck River Bank, Bedford county, has been incorporated, with a capital of \$10,000, by N. P. Leming, J. P. Leming and G. T. Pearson.

Hasbrouck Heights, N. J.—A new national bank is to be organized at this place. C. L. Sieberman, Earl L. D. Hester, Ex-Mayor William S. Lawrence and A. C. Austin are promoters.

Keyser, W. Va.—A new bank is to be organized here with a capital of \$50,000.

Lovewell, Kan.—A new bank is to be organized here by John Craft and others.

Mt. Leonard, Mo.—The Bank of Mt. Leonard is the title of a new enterprise, Adolph Ransberger is president, E. P. Grimes, vice-president and R. T. Brightwell, cashier.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

face of things. Many of the so-called public questions are really personal responsibilities, to be quite honest about it. It isn't quite honest to shift too much of the white man's burden onto the overweighted shoulders of the public.

H. H. COPELAND AND SON, New York, has sent out a specimen sheet of "Comparative Analysis of Railroad Reports" which has been prepared for distribution among railroad officials, investors, banking institutions, etc. The complete work consists of similar treatment of 150 railroads, territorially grouped, and combined average statistics on these roads, in ten groups, covering 215,000 miles. The analyses show thoroughly the physical condition of each road, its financial position, earning power, and operating efficiency. The work permits of easy comparison between one road and another and is a complete and enlarged presentation in entirely new form of information derived from official reports. It makes easy judgment of the position of any property in a manner to be of the greatest usefulness to anyone interested in railroad operations and investment values.

WE are told by a high authority in accounting that this is about the best ever. Copeland & Co. will forward particulars to those interested.

"HOW TO LIVE IN THE COUNTRY" is a very valuable book by the Outing Publishing Company, New York. Maybe you think you know how. You lucky d—ls who are doing it, get the book at \$1.75 net and increase your dividends.

OH, yes! The West has been slighted. Vanderlip didn't bring his yellow flannel dress suit along.

WH. HUNTER, JR., treasurer and general manager of the Hunter Canal Company, has been elected a member of the board of directors of The Bank of Abbeville, La., to replace F. L. Melebeck, resigned.

HARRY YEAGER, assistant cashier of the First National of Lewiston, Montana, and secretary of the Montana Bankers Association, spent a few hours in Chicago last week. He was en route to Washington on some matter of state. He is a member of the executive council of the American Bankers Association and will go to Nashville in the big Chicago special on April 29th.

EDWARD D. KEYS, president of the Farmers National, Springfield, writes: "I enjoy having THE CHICAGO BANKER before me, as it is interesting, newsy, and reliable. It is at all times full of valuable information to the up to date banker."

AT a meeting of Chicago advertising men at the LaSalle Hotel, recently, J. R. Summerville, a New York advertising man, delivered an address in which he stated that the banks were the slowest of American institutions to awaken to the real value of advertising to create business. Further he said:

"ALL banks advertise more or less, but few of them receive full value from the money they expend. A bank will spend hundreds of dollars each year on advertising space and then fill the space with a mere card, the name of the bank, and a list of directors. By this method of advertising they do not receive full value of their money. If the same space was filled with good financial copy, the banks would soon find that advertising is not an expense but an investment that will yield better returns than probably any banking investment they can make. It is learned from the last

treasury reports, that the banks which have advertised judiciously show the largest gain in deposits."

ON the subject of advertising in financial and banking journals, Mr. Summerville said, "The banks do not realize the value of the financial journals in advertising. A bank may increase its outside business wonderfully by using space in the financial journals. This fact has been demonstrated many times. It is noticeable that the banks which do the largest outside business are the most consistent advertisers in the financial journals."

"THE FINANCIAL REVIEW," the valuable annual statistical review published by the Commercial and Financial Chronicle, and so highly prized by bankers and financiers, is being distributed by Pliny Bartlett, western manager.

FROM the manager of a big guaranty and surety company we have the following: "I note that in your March 4th edition you call to attention the fact that there is an alleged shortage of \$52,000 at the Bank of Kelley, Kelley, Iowa, owing to the fact that E. J. Penfield, president of the bank has absconded. You go on to say Iowa should get wise to what has been done in Alabama in the line of a new banking law, and her secretary would not be compelled to send out so many notices of the above nature."

FURTHER the letter states: "I would rather desire to call to attention the fact that if the president of the Bank of Kelley had been covered by a bond by a good, reliable surety company, the depositors would, in this instance, have no cause for anxiety. It is astonishing how few private banks hold their employees and officials under bond."

NOT so sure about that? If the Bank of Kelley had been incorporated with a board of directors and other officials to collect the bond and offer the money, what our insurance friend says, would be true. In a private bank it is different. When the private pockets the money, puts on his hat and walks out that's the end of it.

PENFIELD who went so far as to hang up a clothing store for the price of a new suit with which to make his "get-away" would have looked upon money spent for bond premiums as wasted. Men who are honest rarely feel inclined to insure that quality. The other kind look upon money so spent as merely making it harder to get away when the time comes.

WE ask our contributor how he would like to issue guaranty bonds on such bankers as Penfield.

CASHIER.

SOO LINE TO BE IMPROVED

St. Paul, Minn., March 8.—All steel equipment for the Minneapolis, St. Paul and Sault Ste. Marie railway (the Soo line) is provided for in a 4½ per cent mortgage filed with Secretary of State Schmahl to-day.

The amount of the mortgage is \$1,358,866.29 and runs to William A. Reid & Co. of New York, with the Central Trust Company as the party of the third part. Reid & Co. are designated as the vendors.

The steel equipment consists of cars of all descriptions from diners to cabooses, and is to be ready for delivery in May and August, 1911.

TELLS OF HANCOCK'S PROGRESS

C. D. Hanchett, secretary of Northern Michigan Building and Loan Association, of Hancock, was a visitor at Fort Dearborn National recently. Mr. Hanchett thinks there is no other town of its size that can equal Hancock, and he gave his Chicago friends a graphic picture of its rapid growth.

NEW INSURANCE INDUSTRY FOR CHICAGO

Present plans are for the incorporation directly by the Illinois legislature of a company to engage in investment insurance. Those mentioned in connection with the matter are prominent, including the president of one of Chicago's leading national banks. The head office is to be located in Chicago. The methods of the new insurance body will be similar to that of the London Lloyds, except that it will handle only safe, ordinary loan and mortgage business ventures, while the London Lloyds will insure a client against anything.

According to those who have studied the situation, the small investor will be benefited more than the big financiers by the insurance scheme. Although the new business contemplates the handling of every class of insurance investment, it is pointed out that the man who has not facilities for making investigations on his own account is the one who will be saved from possible loss of savings through the proposed policies.

The object of the plan, as set forth in the bill, is:

"For the purpose of guaranteeing, in whole or in part, the payment of the principal and interest of notes, bonds or other indebtedness secured by mortgages or trust deeds upon real estate, or guaranteeing the performance of the covenants of agreement contained in such mortgages or trust deeds."

It is provided that the policy-holders shall be protected by the deposit with the auditor of public accounts of \$50,000 in United States or Illinois bonds, or, in counties like Cook, where the population is more than 100,000, the deposit shall be of \$100,000 worth of such bonds.

Upon the approval of the bonds deposited by the insuring corporation a certificate of authority is issued to the corporation, to remain in force only as long as this deposit is approved.

In counties where the population is more than 100,000 it is provided that the insuring corporation must have a fully paid up capital of not less than \$500,000. It is expected that the new corporation—the first to do business under the proposed legislation—will be capitalized at about twice this figure.

PENNSYLVANIA'S EARNINGS

The Pennsylvania railroad's report for 1910 shows a small fraction over 9 per cent earned on the stock, as compared with almost 11 per cent the year before. Gross earnings increased \$10,800,000, or about 7 per cent, but net earnings were less by \$2,000,000, or more than 4 per cent.

On account of the retirement of \$80,000,000 of debt with the proceeds of a stock sale near the end of 1909 and the conversion of bonds on a large scale about the same time, the interest charges were the lowest in a number of years and the surplus for dividends and improvements correspondingly greater, but it is to be noted that throughout the year upward of \$100,000,000 more stockholders' money was employed in the business than the year before.

ALLIS-CHALMERS IS PROSPEROUS

Bookings of the Allis-Chalmers Company in February were almost double the record in January and with few exceptions were larger than in any previous month in its history. From August last to January, inclusive, new business averaged about 50 per cent less than in the corresponding previous period, but for the month just closed the record was approximately 50 per cent better than in 1910.

Operations at the company's plants now average about 60 per cent of capacity, which owing to extensions made during the last three years is equal to between 75 per cent and 80 per cent of what was formerly considered normal.

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

DONNELL SAFE COMPANY

Established 1886

200-202 East Washington Street
CHICAGO, ILLINOIS

The Audit Company of Illinois

1439-42 First National Bank Building, Chicago

**Specialists in Auditing and System-
atizing Public Service Corporations**

C. W. KNISELY, C. P. A.
President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

FOURTH STREET NATIONAL BANK OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,300,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
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B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits	\$ 2,000,000
Deposits	28,000,000

OFFICERS

ALFRED L. BAKER	-	DAVID R. FORGAN, President	
H. E. OTTE	-	Vice-President	HENRY MEYER
F. A. CRANDALL	-	Vice-President	A. W. MORTON
L. H. GRIMME	-	Vice-President	WM. N. JARNAGIN
W. T. PERKINS	-	Cashier	WALKER G. McLAURY
W. D. DICKEY	-	Assistant Cashier	R. U. LANSING
		Assistant Cashier	M. K. BAKER
			Asst. Manager Bond Dept.

The Girard National Bank OF PHILADELPHIA

Capital,	-	-	\$2,000,000.00
Surplus and Profits,	-	-	4,360,000.00
Resources	-	-	44,200,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MARCH 18, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Banking Opinion

"There is an aggressive commercial spirit in the principal European countries and this period of idle money and low rates of interest will quickly pass," declared William T. Fenton on Wednesday.

"The universal desire for trade expansion supplants war sentiment. There is no disposition anywhere for war, although it is always possible for some overt act of individuals to precipitate a conflict. Influential capitalists in all the leading European countries are decidedly in favor of a peace policy. Were it otherwise money would be higher and the grain trade would be more active."

Mr. Fenton has just returned from a sojourn of a couple of months in Europe and is again at his desk in the National Bank of the Republic. While abroad he had a good opportunity to gain information respecting political and financial affairs, particularly in England, as most of his time was spent in London.

Mr. Fenton saw enough of German life, however, to make him realize more clearly than ever before that there is vast and substantial prosperity in that empire also. Tariff sentiment remains strong in Germany, where the theory of protection is credited with contributing largely to the country's progress. Belief in the wisdom of a protective policy is spreading in England also, Mr. Fenton was informed.

"The amount of building that is going on in the cities of England and Germany is surprising," he said to a representative of THE CHICAGO BANKER. "That feature is keeping pace with the general development of trade, which is almost beyond belief. With the improvement in business there is an advance in wages, so that the condition of the laboring element is better than ever before."

"Higher wages are absolutely necessary on account of the increased cost of living, but the commerce and manufacturing of such nations as England and Germany are so widely extended and so diverse that labor is almost fully employed. With a growing trade and an abundance of capital those countries cannot be other than prosperous. There is a very optimistic feeling among business men."

"Conditions are just right for bringing all the idle capital into use and I look for a higher money market in the near future. For the present there is a good demand for American securities that return not less than four per cent. That will continue as long as money is easy. Europeans are well posted as to the reliability of our bonds and stocks and there is no difficulty whatever in placing gilt-edge securities abroad. France is investing rather more liberally than other countries because she has more capital that can be spared from business channels. The cost of labor has advanced so rapidly in France that it has checked manufacturing."

"There is a friendly feeling toward the United States in the countries of Europe. All are hoping for a speedy settlement of the Mexican troubles so that investors will be safe. The general disposition is to keep hands off and let the United States deal with the situation so far as it requires outside attention."

Mr. Fenton looks for a gradual improvement in business here.



WILLIAM T. FENTON
Chicago, Illinois

Mr. Fenton, who says commercial spirit in Europe is so aggressive as to supplant war sentiment, is widely known as vice-president of National Bank of the Republic, Chicago. He is a student and traveler as well as a banker. He has long been recognized as a close observer of public affairs and his views are much sought after. In his opinion the cheap money period is passing.



J. S. AISTHORPE
Cairo, Illinois

Mr. Aisthorpe is the head of the First Bank and Trust Co. at Cairo, Ill., a fine public speaker and a leader in the Illinois Banker Association. He has been chosen its historian and has gone to work earnestly. In Cairo he is known as a progressive in civic affairs and as a conservative in banking. Bank supervision and inspection is part of his financial religion.

Money Firmer

Chicago bankers report a firmer money market this week, with counter business mostly at 5 per cent. The market may be quoted 5 to 5½ with an improving tendency. Real estate loans have become an unusually important factor and the quotation ranges from 5 to 6 per cent. The larger employment of capital now visible is expected to cut down the supply of idle money.

INTERIOR BANKERS BUSY

That the early activity in agricultural affairs is responsible for an improvement in the money market is the opinion of Cashier Frank Heflebower of State Bank of Sterling, who was a visitor at LaSalle Street National in Chicago the forepart of the week. Sterling bankers have a large program on their hands, but it is one that means prosperity for the whole community, Mr. Heflebower explained to Cashier Fox. Sterling is the center of large livestock and grain interests and uses capital more extensively than almost any other town of its size in Illinois during the farming season.

CAN'T KEEP A GOOD MAN DOWN

Harry Yaeger, who has just been appointed national bank examiner for Montana, is an old personal friend of J. Fletcher Farrell, vice-president of Fort Dearborn National. Mr. Yaeger was a visitor in Chicago the fore part of the week. His friends here are greatly pleased to learn of his government appointment.

Wheat Steady

The wheat market has had fair activity this week and prices have been steady. May has ranged from 90 to 92 cents and July 88 to 90. Reports as to crop conditions and consumptive demand are mixed.

An attempt was made on the part of Northwestern traders to stir up a demand for wheat because of dry weather in a part of the spring wheat country. Minneapolis prices were strong for some time because of this and the effect was strengthening here. The Northwest news lost its influence later because of the favorable reports from the winter wheat country, which was of more immediate concern.

Corn has been steady around 50 cents for May, with July less than 1 cent higher.

FOREIGN EXCHANGE LOWER

The Foreign Exchange market is lower for sterling owing to easier discount rates in London as well as the placing of American securities abroad, while marks and francs have remained practically stationary owing to corresponding drop in sterling in France and Germany, where private discount rates have advanced from 2¼ to 2¾ and from 3¼ to 3½ per cent respectively, as compared with a week ago. Quotations follow: Bankers' demand sterling, 4.86¼; Bankers' demand 60 d. sterling, 4.84; Bankers' demand francs, 5.19¾-1-16; Bankers' demand 60 d. francs, 5.21¾; Bankers' demand marks, 95 1-16; Bankers' demand 60 d. marks, 94½.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$10,000,000

Officers

GEORGE M. REYNOLDS - - - - President
RALPH VAN VECHTEN - - - - Vice-President
ALEX. ROBERTSON - - - - Vice-President
HERMAN WALDECK - - - - Vice-President
JOHN C. CRAFT - - - - Vice-President
JAMES R. CHAPMAN - - - - Vice-President
WM. T. BRUCKNER - - - - Vice-President
WM. G. SCHROEDER - - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - - Cashier
HARVEY C. VERNON - - - - Assistant Cashier
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WILBER HATTERY - - - - Assistant Cashier
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RALPH C. WILSON - - - - Assistant Cashier
WILSON W. LAMPERT - - - - Assistant Cashier
DAN NORMAN - - - - Assistant Cashier
FRANK L. SHEPARD - - - - Auditor
H. LAWTON - - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

Corner Monroe and Clark Streets

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Cashier

Officers
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The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

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Bankers

H. W. LADEWIG, Chicago Manager

228 La Salle Street

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WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital, - \$1,250,000

Deposits, \$10,000,000

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

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A. E. COEN, Asst. Cashier
LOUIS H. SCHROEDER, Mgr. Bond Dept.

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

NEW YORK BANKERS ASSOCIATION will hold its 1911 convention at Manhattan Beach, June 22d and 23d. Headquarters will be at the Oriental Hotel and Secretary W. J. Henry informs us that a very large attendance is anticipated. Bankers will do well to make early reservations. This can be done through Mr. Henry, who has a permanent headquarters at 11 Pine Street, next door to the American Bankers Association.

C. G. HEMINGWAY has been appointed an assistant cashier for the National Newark (N. J.) Banking Company. This bank under the presidency of D. H. Merritt is making great headway.

NATIONAL STOCK YARDS NATIONAL at National Stock Yards, Illinois, reports for March 7th deposits of three and one quarter millions. President Wright of this institutions sends out an attractive folder offering "efficient service and exceptional facilities" to all who transact business at that great live stock market. It takes good service to build up such an enormous business in a restricted field.

FARMERS NATIONAL at Pekin, Illinois, reports one million, one hundred thousand in deposits. The total resources are close to one and one-half millions, based on a capital of one hundred thousand dollars with one hundred thousand dollars surplus. This bank has been appointed a United States postal savings depository and is very proud of this preferment.

ST. ELMO LEWIS has been engaged by the Caxton Magazine, published at Pittsfield, Mass., to write a series of twelve articles on "The New Gospel of Efficiency." This series will begin in the March number and many are expecting that Mr. Lewis will include in his "New Gospel of Efficiency" a great deal about his old gospel of publicity. Mr. Lewis is the gentleman who put the Burroughs adding machine on a pinnacle and kept it there.

MILWAUKEE'S big First National has reached within a stone's throw of twenty millions in deposits. This modernly managed institution has two millions capital, a half million surplus, and almost an equal amount in undivided profits. It reports also "a special guaranty fund" of one hundred twelve thousand dollars.

NORTHERN TRUST COMPANY BANK, Chicago, comes within sixty thousand dollars of having exactly the same amount in demand deposits that it has in time deposits. Together these sums total more than thirty-one millions. Conservatism is the keynote at this institution.

FIRST NATIONAL of Englewood reports three million, three hundred forty thousand in deposits, showing its usual gain between calls. This bank has worked up a large local business by means of carefully written circulars. Recently a big hit was made with

"A Better Way to Pay Bills." This circular was intended to teach housewives how much better, safer, and more economical as well as easier it is to pay bills by check instead of chasing around with the cash.

FIRST NATIONAL of Chicago and the First Trust and Savings report combined deposits of over one hundred sixty-eight million dollars. The total resources of these allied institutions have about reached the two hundred million mark.

C. H. KRENZ, who for the past twelve years has been associated with Finley Barrell and Company, of this city, has accepted an important station with Ware and Leland, a well-known and long established commission house located in the Royal Insurance Building. This firm maintains membership upon all the exchanges, has its own private wires, and is well equipped for handling business in all the markets.

WISCONSIN NATIONAL of Milwaukee shows deposits of nearly eighteen millions. This bank for a long time has made it a special point to bring up its Milwaukee and Northwest collection department to the highest efficiency. Prompt and careful attention has been the policy which brought about this result.

NATIONAL CITY BANK of Chicago in its March letter deals with the interstate commerce commission's decision in the freight matter. It notes the fact also that the public is paying very little attention at present to the stock market and that reciprocity with Canada should become a part of the business religion of every loyal American. This circular may be had free of charge by anyone who will apply for it.

MECANICS-AMERICAN, St. Louis, reports deposits of \$34,302,687.98. Its capital and surplus run to five millions. The bank has made it a practice to be "prepared to furnish every proper banking facility." J. S. Calfee, who puts out the new business literature, has a sense of good English and fine printing at the same time. They do not go together always.

FIRST NATIONAL and the First Trust, of St. Joseph, Mo., show up with a joint deposit account of \$5,153,158.03. R. T. Forbes, formerly of Chicago, is the dual president.

OMAHA NATIONAL is above twelve millions for March 7th. It is in its splendid new home at Seventeenth and Farnam streets. J. H. Millard is president and J. DeF. Richards, cashier.

MARINE NATIONAL, Milwaukee, has only a few thousand to go to be able to report six millions in deposits. This bank makes a hobby of giving prompt and careful attention to all matters entrusted to it.

O. J. BOHMAN and others at Moline are taking steps to organize a chapter of the Institute of American Banking. Mr. Bohman is with the Moline Trust and Savings.

DAILY BANKER, New York, affectionately known as "the rag" in the inner circle, has been reduced in size. Several other ways in which its publisher might earn public gratitude could be mentioned.

LAKE VIEW STATE BANK, capital \$200,000, will be opened in about a month at 3160-2 North Clark Street, taking over the business of the North Shore Exchange Bank. Stock will be issued at par, the institution starting without surplus. Directors have been elected as follows: Edward Lindsten, Peter J. Plantin, J. E. Olson, Edward D. McCabe, H. H. Newell, William J. Van Buskirk, Peter P. Hauber, James A. Smith and George W. McCabe, who will probably be elected president.

PLANS are being rapidly settled for a banquet to be given by the trust companies of the United States under the auspices of the trust company section, American Bankers Association, to be held at the Waldorf-Astoria on May 5th, when members of the executive committee will have returned from the Nashville meeting of the council. Full details will be sent to all members of the section.

BURNS NATIONAL, St. Joseph, Mo., shows resources of over three millions at last call.

LIVE STOCK NATIONAL, South Omaha, only organized December 9, 1907, has come up steadily and now shows over a million in deposits. This is a gain of \$300,000 in the two months. C. F. McGrew is president and L. M. Lord cashier.

FIRST NATIONAL, Marquette, shows \$1,900,962.57 in deposits.

OHIO has more trouble. This time it is a shower of forged "time checks" on a big manufacturing concern at Hamilton, Red-faced man with blue eyes is circulating them.

IF you are not familiar with the directors' list for the Bankers Trust, New York, just look over the names. The dailies would refer to them as "w. k. bankers" and in full justice to that much abused phrase. Surely a superior list of "all bankers" could not be named.

DEPOSITS of the Mercantile Trust, St. Louis, divide almost equally between "time" and "demand." The total is well over twenty-one millions and the deposits of the Mercantile National have passed six millions. President Wade of the allied institutions is a national figure.

FROM a good banker, good fellow and ex-member of the council the Chicago Banker has a letter taking issue with the proposal to right a wrong by restoring the name of Frank G. Bigelow to the A. B. A. records where it belongs. Following is the communication in full:

"**L**AST number of THE CHICAGO BANKER is before me, and as usual has much of general and special interest in it. Yet how you can make the Bigelow plea in the face of the facts
(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
R. M. MCKINNEY, Cashier
WM. B. LAVINIA, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier
WM. H. HURLEY, Asst. Cashier

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
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A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President

D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

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Foreign View of Aldrich Plan

Sir R. H. Inglis Palgrave, an English authority, reviews the central reserve association proposal with approval. Compares world's banking systems

London, March 10.—When we become aware that there were 22,491 separate banks in the United States and their island possessions on April 28, 1909—the last time that an official enumeration of their number was made which has reached this country—that they have increased since, and that they include many different descriptions of banks, as national, state, savings and private banks, loan and trust companies—formed under different laws and possessing different powers—we may well understand how great the need for a solid and well-planned centre for such an organization must be.

A great and lengthy enquiry was accordingly made by the National Monetary Commission of the United States to collect all available information on the subject.

There have in times past been many investigations into the monetary conditions of the great countries of the world. From the report of the bullion committee, printed in 1810 onwards, both our houses of parliament have made many enquiries into important matters connected with the subject. The great French *Enquête sur les Principes et les Faits Généraux qui régissent la circulation monétaire et fiduciaire* held at the request of the Conseil Supérieur de l'Agriculture, du Commerce et de l'Industrie commenced its investigations on February 7, 1865, and continued to December 28, 1868. The history of their labors fills six solid quarto volumes. They received information from 119 French chambers of commerce, besides associations representative of arts and manufacturers in that country and representatives of foreign chambers of commerce from England, Holland, Switzerland and Austria. They examined 137 witnesses, including among their own countrymen such economists as Léon Say, statesmen as Thiers, representatives of the Bank of France and the principal bankers of Paris, as M. Fremy who was at that time governor of the Crédit Foncier de France. Among English authorities such men as Walter Bagehot, William Newmarch, Thomson Hankey, governor at that time of the Bank of England, Charles Gairdner, of the Union Bank of Scotland, John Stuart Mill and many other well-known men. The analytical statement of the contents alone extends over 126 pages, but for amount of work and information collected, the labors of the national monetary commission of the United States exceeds all its predecessors, both in quantity and in value, even the great French enquiry we have described. The list of the publications issued by it, and in preparation alone forms a pamphlet of more than thirty pages. The energy of Senator N. W. Aldrich dominated and inspired the work, and the Hon. A. Piatt Andrew, now the assistant secretary of the treasury, has been of great service in arranging and co-ordinating the work of the commission.

In time we shall know more distinctly what plan it is proposed to follow. Meanwhile some useful information will be found in a

supplement to the Annals of the American Academy of Political and Social Science published January, 1911. This contains addresses by Senator Aldrich, the Hon. Senator Theodore Burton, the Hon. Piatt Andrew, and the Hon. George Roberts, director of the United States mint. The meeting was organized and directed by Dr. Rowe, president of the University of Pennsylvania. In his address on this occasion, Senator Aldrich pointed out the necessity of a "more complete reorganization, a more thorough association of the banks of the country," and while he completely recognized the useful functions of the clearing houses in the United States (of which we may say in passing that they are much more powerful bodies than the clearing house of this country), he pointed out that their "beneficial results have been local and not general in their character," and that what was wanted at the present time was "an organization that will, as far as possible, insure reasonableness and steadiness of rates of discount throughout the country; that will prevent the possibility of bank suspensions in the future; that will extend to a bank in any part of the country, under proper circumstances, facilities which will enable it to afford relief at all times to those who are entitled to credit. It must provide against any possible disruption of domestic exchanges. It must be an organization which will have both the power and the purpose to maintain at all times, under all circumstances, the credit of the great people whose interests it is bound to serve."

We trust Senator Aldrich may be able to carry out this important undertaking. The work, if efficiently carried out, will be of the greatest service not only to the finance of the United States, but of Europe and the whole civilized world. Europe will be spared, and we shall be spared such troubles as those which reached us in 1907, when bank rate here was high during the whole of the autumn, culminating in 7 per cent on November the 7th of that year, a rise which was entirely unconnected with any requirements of British business, and inflicted great injury on the trade of our country.

Since delivering his address to the American Academy, Senator Aldrich has filled out more fully the outline of the scheme he proposes. Although it must be doubtful whether a plan so full of detail, affecting so many interests and so wide-reaching in its influence, will be carried out exactly as is suggested, yet the importance of the subject is so great, and—as we have mentioned—its influence on the finance of Europe and on our own market may be so powerful that we do not hesitate to put before our countrymen the first idea we can of a proposal which, no doubt, will lead eventually to a great reform. The times call, indeed, for a great effort. The financial arrangements of the United States are in such condition that, in a time of excitement and panic, it is impossible that business should be conducted on strictly legal principles, or with-

out a crisis which may have a very serious effect on the commerce and industry of other countries including our own.

As an instance of what this means we may refer to our own article in the London Bankers' Magazine of November, 1908, on the American crisis of 1907, in which it was shown that, in the great panic of that year, the unauthorized "emergency currency" of the country amounted to upwards of the enormous sum of £100,000,000, the whole of which was subsequently paid, as we understand, without the loss of a single dollar. That such an extraordinary outburst should take place, and that the existing financial powers should be able to give little or no assistance to those who were brought into trouble through no fault of their own is not a credit to the laws of any country, but that the monetary arrangements made on the spur of the moment should have fulfilled every requirement of a sound legal currency and been afterwards taken up without any loss to the holders is a real triumph for the banks of the United States. The necessity for establishing the national monetary commission was the natural result, and the valuable information which has been collected will be of the utmost service in arranging the system which will be required. The inspiration of the idea was, as we have said, the work of Senator Aldrich.

There have already been two public banks of the United States. The first was a vital part of the scheme for the support of national credit proposed by Alexander Hamilton, secretary of the treasury in his time. It was incorporated in 1791 with a capital of \$10,000,000. It issued notes, but did not publish regular reports. The scantiness of information relating to this bank is remarkable. Two of the reports made to the treasury department in 1809 and 1811 are all that have been discovered. The charter ran out in 1811; it was not renewed, and the bank came to an end.

"The embarrassments of the money market in less than three years after the dissolution of the first United States Bank in 1811 revived a demand for the establishment of a similar institution." The second bank of the United States was accordingly authorized in April, 1816. It had a charter for 20 years, but the institution was destroyed by the enmity of President Andrew Jackson, who "suspended the deposit of public money in its custody," and who gave his veto to the bill "to modify and continue" the act of incorporation of that bank in 1832. The federal charter of the bank expired in 1836. The bank continued its business under a charter obtained by President Nicholas Biddle from the state of Pennsylvania, but without success, and in 1841 it went into liquidation. The memory of trouble which these two banks have left, combined with the dread of a centralized financial authority, is still strong in the United States. This feeling is probably the reason which has caused Senator Aldrich to consider it unadvisable to give the institution he proposes to found even the des-

ignation of a "Bank." It is obvious that a strong bank like the Bank of England, the Bank of France, the Imperial Bank of Germany, or the "state" banks which exist in other countries of the civilized world would be of the greatest service to the financial business of the United States, provided it kept clear of being dominated by any individual interest. But the desire to avoid opening up a dangerous controversy apparently has had great influence with Senator Aldrich, and he proposes to give the name of a "Reserve Association" to the institution which he wishes to found.

There are three different bodies which are to be welded together in it. These are described as local associations, branches, and the reserve association. The local associations are to consist of national banks which are to be continued with some changes in their constitution—for instance, their note issue is to drop, but they are to be shareholders in the reserve association. Each subscribing bank is to be a member of an association, and the directorate of the association will be composed of representatives of the banks concerned. The functions of the local associations are, we understand, to be of great importance. "It rests with them to guarantee commercial paper presented by the constituent banks, and to act really as the hinge on which the whole discount business of the new organization turns." Thus these functions will in a great degree be similar to the agencies (country offices) of the Bank of Belgium. As we have nothing analogous to these bodies in English banking, a few words here describing their operations will be of service. The agencies of the Bank of Belgium are carried on by private partnerships—Sociétés en nom collectif—the liability of each partner being unlimited. They are responsible for the due payment of the bills which they discount, and they do a large business. Thus, during the year 1909, they discounted collectively 2,408,589 bills for an amount of more than £55,000,000. The managers of the country offices of the Bank of Belgium are paid by a share of rather more than a quarter of the discount which the bank receives, while the fact that they are responsible for the due payment of all bills with which they deal, makes them extremely cautious as to the business which they undertake, and renders the bank itself safe from any loss on that score. In Senator Aldrich's plan the branches, the second part of his institution, are limited to 15 in number for the whole of the United States. As it is difficult to understand at present what the business and the position of these branches will be, it is scarcely possible to understand more as to their work if their business is to be at all analogous to that of branches of banks elsewhere. Still we may observe in passing that 15 branches seem very few in comparison with the enormous district over which they will operate, this being about thirty times the size of the United Kingdom, with a population of something like double. It may be supposed that power will be reserved to increase the number. The Central Reserve Association itself is a powerful body. It is proposed that it should have a 50 years' charter, and a capital of \$300,000,000 (£60,000,000). There are to be 45 directors, 27 being elected by the branches and local associations, 6 being ex officio members chosen from amongst government officials or nominated by the president, 12 are to represent industrial interests. It is to issue notes which are in time to replace the notes of the existing national banks, whose circulation, as we mentioned before, is to be withdrawn altogether. The circulation issued by the Central Reserve Association is to be based partly on gold, partly on commercial paper. The gold apparently is to be equal at least to one-third of the note circulation. The

commercial paper is to be bills with not more than 28 days to run, received through a local association. But all these details apparently are not absolutely fixed at present. It will make its position sound, and place the commercial credit of the country on a higher footing if the Central Reserve Association holds the specie deposited in the treasury of the United States.

There is no hint in this plan of the separation of the work of the bank into the two departments of issue and banking, as is done at the Bank of England, and we think that Senator Aldrich is wise in not thinking of doing so. In making this arrangement in 1844, Sir Robert Peel was influenced by the great importance held at that time by the note circulation in the operations of banks in this country. The grounds on which Peel acted were summarized by the Right Hon. James Wilson, afterwards the founder and first editor of the Economist newspaper, in the following manner:

First.—That bank notes though payable in coin, at the option of the holder, are still liable to be issued in excess, and are consequently subject to depreciation.

Second.—That convertibility is not alone a sufficient guaranty that a mixed currency of bank notes and coin shall conform, in its variations, to the same laws that would regulate a purely metallic currency.

Third.—That issuers of bank notes have power to increase or decrease that circulation at pleasure.

Fourth.—That, by expansion or contraction of the issues of bank notes at pleasure, the prices of commodities can be increased or diminished; and,

Fifth.—That, by such increase or diminution of prices, the foreign exchanges will be corrected, and an undue influx or efflux of bullion, as the case may be, will be arrested.

Mr. Wilson regarded these propositions as being not in any way proved, and the conditions under which banking is carried on at the present time are so different from those which existed in the early part of the nineteenth century that no one would think of suggesting that a moderate note circulation such as now exists in the United Kingdom could be followed by the results here suggested, nor is it felt necessary now to require that the notes in circulation should not exceed the amount of the coin which they displace. There is, however, no doubt that the division of the work of the bank into two separate de-

partments has been followed by great instability in the rate of discount. This was foretold at the time by Thomas Tooke, the author of "The History of Prices," by whom the act was severely criticized, and by William Newmarch, for many years the secretary and manager of Glyn's Bank.

Mr. Tooke, one of the many eminent Englishmen who have brought to bear on the theories of economics and finance the practical experience of business life, held that there would be a greater liability to frequent and violent transitions in the state of credit and in the rate of interest with a divided than with an undivided state of the two departments. This has been abundantly confirmed by the actual working of the measure since that time. We cannot go more fully into this point here. It is sufficient for the purpose to compare the number of changes in the rate of discount at the Banks of England, France, Germany, Holland and Belgium from the date of the passing of the Bank Act of 1844 to the present time. The changes at the Bank of England have been more than twice as many as at the banks of Germany, Holland, and Belgium, and about four times as many as at the Bank of France.

There are in the plan prepared by Senator Aldrich many features drawn from the foreign great note-issuing banks, particularly from the arrangements of the Bank of France and the Imperial Bank of Germany. The history of those banks shows that they, like the Bank of England, have been of great service not only to the credit, but to the commercial welfare of the countries in which they work. The problems with which the banks of the United States have to deal are different from those which fall to the share of banks of more settled countries like the United Kingdom, France and the Empire of Germany. But there is one point which is imperative to secure the success of all these institutions, which cannot be expressed by law, though the legal arrangements may assist its fulfilment. The real strength of a bank lies in the character, ability and representative power of its directors; so far as can be judged from the scanty information at present received there does not appear to be any reason why the "Central Reserve Association," or whatever name Senator Aldrich's institution may receive, should not be ably, honestly and successfully managed, and we wish it all prosperity in carrying out the very important duties which it will have to perform.

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THIS IS VICE-PRESIDENTIAL YEAR

Lookout Notice No. 23—C. C. Hay, A. D. Macpherson and R. G. Hopper (all vice-presidents) have been seen much about the counting rooms of the Chicago banks during the week. If found without credentials showing actual election as "vice-president" please notify W. J. Burns of the Burns National Detective tional Detective Agency at once. Credentials as associate editors all revoked.

SAYS TEXANS ARE CHEERFUL

J. Sanford Smith, cashier for Prendergast, Smith and Co., Mexia, Texas, was a visitor at First National the fore part of the week. He reported business of all kinds good and Texans cheerful over the prospects of an excellent season. The rains have been highly beneficial in the western section and will have a decided influence on the next cotton crop.

W. T. FENTON HOME FROM EUROPE

W. T. Fenton, vice-president of the National Bank of the Republic returned Monday from a vacation trip to Europe.

ILLINOIS BANKING NEWS

By C. C. Burford

A real estate deal which has attracted the attention of bankers and land owners in Central Illinois is the sale of a farm of 960 acres near Lexington, McLean county, for \$230 an acre, the total consideration being \$220,800. Another farm in McLean county near the same town sold for \$240 an acre, the farm consisting of 140 acres. As both of these farms are remote from Bloomington and do not have suburban qualities such as proximity to a city of that size would give, the transaction represents very well the real value of Illinois farming lands. Where have we heard that noise about the price of farm lands receding and where is the man who wisely asserted that land would never advance beyond the even \$200 an acre mark? Bold prophets declare that the \$300 an acre mark is already in sight.

Freeport Banker Writes Article

Edwin Selle of the German Bank of Freeport has published in the March number of the Bankers' Magazine an article on bank collections. The story is illustrated with copies of the forms of collections used by Mr. Selle and which were originated by him years ago. These forms are used now by the Freeport institution.

Cairo Shows Prosperity

The four banks of Cairo have deposits of four millions of dollars according to the statement made to the comptroller of the currency a few days ago. The bankers of Illinois when they visited the growing city at the tip-end of the state last fall were impressed with the business life and future possibilities of Cairo. A large jobbing business over southern Illinois, western Kentucky and Tennessee, and south-eastern Missouri is handled by the merchants and wholesalers of the city and the banks of Cairo are highly prosperous institutions.

Youthful Cashier at Fairfield

Walter Sons, cashier of the First National of Fairfield, can perhaps lay claim to being the youngest national bank cashier in Illinois. He is but twenty-three years of age but has seen six years of active experience with his bank as he has been assistant cashier for that period. When the former cashier, F. M. Frock, resigned to become postmaster of Fairfield, Mr. Sons was advanced by the directors to the cashiership. He was recently married to Miss Mary S. Dickey, daughter of Thomas Dickey, capitalist and bank director.

Bloomington Banker Ill

The many friends of J. O. Willson, president of the People's Bank of Bloomington, regret to learn of his illness which has necessitated a surgical operation. His trouble was found to be intestinal obstruction due to adhesion bands and the operation performed by two Chicago surgeons at the Brokaw Hospital in Bloomington was for the correction of this trouble. He rallied from the operation and there is every indication for a speedy recovery. The People's Bank with deposits of \$1,377,769 and loans and discounts of \$1,121,103 at the time of the last call is in a highly prosperous condition. Mr. Willson has great pride in that new building which the People's is erecting and which will be one of the best in the state.

Record Breaking Clearings

All records for bank clearings in eight Illinois cities outside of Chicago were broken during the week ending Thursday, March 9th when the grand total was \$10,452,000. Peoria reported \$4,020,000, an increase of 6.5 per cent. The other cities were Rockford, \$1,073,000; Quincy, \$1,296,000; Bloomington, \$1,232,000; Springfield, \$1,607,000; Decatur, \$652,000; and Jacksonville, \$599,000. Of these cities Springfield sometimes steps over the million dollar mark but Rockford, Quincy, and Bloomington seldom do. Transfers of real estate are given as the reason for the increase.

Illinois Notes

John H. Harris, former president of the First National of Beardstown, is dead after a lingering illness.

The Peoples' Trust and Savings Bank of Galesburg reports deposits of \$1,014,540 and loans and discounts of \$1,065,490. The capital, surplus and undivided profits amount to \$354,000. M. O. Williamson is president and Harvey J. Butt is the cashier. This bank was established in 1900.

Mrs. Emory Cobb, widow of the late Emory Cobb of Kankakee, died recently at Daytona, Florida, where she had been spending the winter. Her husband was formerly president of the First National of Kankakee and later was president of the Western Union Telegraph Company.

Walter L. Fisher, who has been named by President Taft as secretary of the interior to succeed Richard A. Ballinger, is a cousin of W. S. Middlesworth, president of the First National of Shelbyville, and is well known to many citizens of that city.

The First National of Peoria announces the resignation of Herbert C. Bigham, assistant cashier, which became effective March 11th. Mr. Bigham will enter mercantile lines with the Peoria Tent and Awning Company. He has been with the First National since 1889.

C. H. Livingston, who recently left the town of Newman in Douglas county with valuables

belonging to other people, has been heard from in other cities. He has since given bogus checks on the Newman bank to merchants in Rockford and Champaign. A reward has been offered for his capture.

The voters of Pekin township have defeated a proposition to bond the township for \$50,000 for the purpose of erecting a new township high school building. The village of Odell in Livingston county has voted a bond issue of \$7,000 for water works improvement.

It is thought that some of the money taken from the Citizens National of Walnut was recovered when cows eating from a strawstack uncovered a quantity of gold and silver coins which had been hidden there.

Hardy H. Whitlock, who is under indictment as the defaulting treasurer of Vermilion county, has settled with his creditors for one third of the amount of the embezzlement which totaled \$37,500. M. J. Wolford, president of the Palmer National of Danville made the settlement.

The balance of the estate of Lee Kincaid, the bankrupt banker of Athens, was sold recently at Petersburg. A final dividend of about twenty per cent will be paid to the creditors April 15th. If twenty per cent is realized the estate will pay about sixty per cent of its indebtedness.

Walter W. Wallin, said to be one of the most "accomplished" crooks in Illinois, is under indictment at Quincy. He has made a specialty of postoffice swindling.

CLOSED A NATIONAL BANK

Union City, Mich., March 15.—After two days' examination, F. A. Roraback of Chicago, national bank examiner, ordered the Farmers National Bank closed and compelled Henry T. Carpenter, cashier, to resign. The failure is attributed to loose banking methods, the carrying of much worthless paper and an alleged intent to defraud. The assets lack \$70,000 of paying depositors and, in addition, the capital of \$50,000 is wiped out.

The Farmers Bank was organized thirty-five years ago by Carpenter, who has had control ever since. Carpenter and members of his family are said to be on the bank's paper for \$20,000, and other paper bears names of citizens who have been dead for a dozen years.

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Money, Banking and Finance from Chicago Viewpoint

Banking spirit seems to harmonize with the weather. Some influence has imparted buoyancy and cheerfulness to business. Most likely it is the sunshine. The spring season has come on prematurely and is rejuvenating trade of all kinds.

After a dull winter bankers and merchants alike are glad to note the improvement. There is a larger use for money than has been known in the Chicago market since December. This is mainly due to an increased demand for merchandise but to some extent it represents new financing on the part of manufacturers and jobbers who were not able to get their accounts in the Northwest cleaned up at the first of the year.

The spring wheat states were short on crops last season and this with the excessive land speculation made a temporary stringency. In those localities where farmers and merchants were unable to meet their obligations a considerable burden was imposed on banks, machinery houses and jobbers. However, no other section of the country is so well able as the Northwest to withstand a partial failure of crops and business has been adjusted to meet the necessities of the case.

Bank Loans Increasing

Cashier Charles N. Gillett of First National on Wednesday reported that institution as having its funds quite fully employed. Its discount business was the largest for several months, Mr. Gillett said. Nearly all transactions were at 5 per cent, which is a fractional advance since the beginning of the month.

Mr. Gillett explained that the season's program with respect to interior trade was being provided for by manufacturers and merchants. This involves an extensive use of funds. He thought commercial business was on the eve of a noticeable improvement, although the winter had been an unusually dull one.

Vice-President D. A. Moulton of Corn Ex-

change National quoted the money market firm and active, with an upward tendency. It is still a 5 per cent market, although the range of discounts is up to 5½ per cent, the outside figure representing the smaller class of loans. Mr. Moulton said the improvement was general in Chicago trade and probably throughout the country, but certainly all over the West.

It cannot be said that any particular line of business leads in the revival, although up to the present month real estate interests have held the honors. To-day trade is more evenly distributed, and the improved demand for money at the banks fairly represents new mercantile life. Real estate loans are quotable 5½ to 6 per cent, with the demand fully up to previous weeks. There were 574 real estate sales in Chicago last week, amounting to \$3,279,592, against 720 sales the week before, with figures aggregating \$3,423,184. The amount for the last week is three-quarters of a million above the record for the corresponding period a year ago. This difference has been noticeable all winter. The trust deeds and mortgages last week footed up \$2,221,700, against \$1,720,700 a year ago.

The money market has been peculiarly favorable to real estate development this season. It remains to be seen whether the advance in rates of interest will check the activity in building operations.

D. R. Forgan Predicts Good Year

President David R. Forgan of National City Bank, who has just returned from a ten days' visit East and South, predicts steady improvement to the end of the year. He told a representative of THE CHICAGO BANKER that the season had been rather a poor one so far especially in the East. There is a feeling of confidence everywhere, and some improvement in business is already apparent here. "The fundamentals are sound," Mr. Forgan said, "and I have claimed all along that the year would see

a material improvement. Trade revival means a more satisfactory condition in the banking business."

The employment of between two and three million dollars a week in local real estate operations has been of great importance to the money market. Real estate loans in the dull-est period ranged from 4½ to 5½ per cent and at present the quotation is 5 to 6 per cent. This advance reflects a continued demand for capital in that line as well as a more general use for money in mercantile trade.

A number of late real estate transactions in the Chicago market are significant. The apartment building at the northwest corner of Cornell Avenue and Fifty-fifth Street, with 101 by 154 feet of ground, containing twenty-four flats of five to eight rooms, built of New Bedford stone and brick, has been sold by E. N. Smith for \$170,000, subject to an incumbrance of \$60,000. Included in the same transaction was the twenty-one apartment building at the southeast corner of Prairie Avenue and Fifty-fifth Place, on a lot 126 by 141 feet, for \$100,000, subject to an incumbrance of \$50,000.

The purchaser of both properties was Conrad Becker of the Red Bud Trust Company, also president of the Becker Milling Company of Red Bud, Ill. In part payment he gave the new twenty-four apartment building at the southeast corner of Fifty-eighth Street and Michigan Avenue, with lot 100 by 150 feet, valued at \$100,000, subject to an incumbrance of \$38,000, and the Gedney Block in Independence, Iowa, consisting of a hotel, theater, stores, etc., with 200 by 200 feet of ground, valued at \$100,000, the balance in cash.

Big Snell Tract Sold

A large tract of vacant land belonging to the estate of Henrietta Snell, widow of the late Amos J. Snell, was sold to James E. and Eugene C. Wharf for subdivision purposes. The land consists of 46.24 acres at Milwaukee and

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Sunnyside avenues, and it brought \$69,360, or \$1,500 an acre. The purchasers gave a trust deed to Michael Marso to secure a \$54,360 loan, five years at 5 per cent.

R. D. Hill and Company have made the following loans: \$35,000 for five years at 4½ per cent to Frank G. Kameron on the fee of the property, northwest corner Madison and Franklin streets; \$16,000 for five years at 4½ per cent to Harry F. Harvey on the property at 111 Franklin Street, 25 by 80.7 feet, four story and basement brick building; 15,000 for five years at 5¼ per cent on the property at the southwest corner of Fifty-second Street and Stony Island Avenue, 154 by 152 feet, one story brick building.

Israel and Samuel Lanski have given a trust deed to Augustus S. Peabody, as trustee, securing an \$800,000 building loan for ten years at 6 per cent on the property on West Twenty-first Street, southwest corner of Morgan Street, north frontage, 381 by 210 feet, where they are building a four-story warehouse.

Anna T. and John B. Foley have given a trust deed to the Western Trust and Savings Bank, as trustee, securing a bond issue loan of \$300,000 at 5½ per cent on the property on Humboldt Boulevard and the southeast corner of Johnston Avenue, 100 by 111 feet, known as the Henrietta apartments.

Jeremiah W. Dowd, who is constructing a twelve-apartment building on the property on Forty-fourth Street, northwest corner of Michigan Avenue, has given a trust deed to Edwin G. Foreman as trustee securing a loan of \$53,000 for five years at 5 per cent. The building will cost in the neighborhood of \$75,000. Upon the next vacant lot, a dwelling-house intervening, Mr. Dowd is constructing a six-flat building to cost \$31,000. The builder has given a trust deed to Edwin G. Foreman securing a loan of \$22,000 for five years at 5 per cent.

Fort Dearborn National is to occupy its new home April 3d.

LIVE STOCK STATISTICS FOR 1910

The officers of the Live Stock Exchange National of this city have issued a neat pocket edition of the statistics of the live stock trade for 1910. The little volume is vest pocket size and is carefully indexed. It contains a general review showing the record of values in 1910; record breaking hog prices; summary of the sheep market, and also of the horse market. It classifies in one table the top and average prices and gives the monthly average prices as well. In fact there scarcely is a feature of the live stock business which is not fully covered.

The Live Stock Exchange National has been forty-three years engaged in successful banking at its present location and has necessarily exceptional facilities for handling live stock business. They place these facilities unreservedly at the command of the live stock industry which is one of the greatest in the country.

INSURING MORTGAGE INVESTMENTS

Considerable progress has been made at Springfield with a bill authorizing the organization of mortgage guaranty institutions in the state. It is being violently opposed by small individual loan brokers who fancy that they will be crowded out of business. They take the same position that the private bankers always have taken against any legislation which might interfere with their private profits, no matter how beneficial it might be to the people at large. The Chicago real estate boards have joined in opposing the passage of the bill. It is claimed by them that it is strictly in the interests of the big trust companies and the banks and opposed to the interests of the individual loan broker. The last reports from Springfield indicate that the bill is likely to become a law.

W. T. Kemper, president of the Commerce Trust Company of Kansas City, spent several days of last week on a business tour of Kansas.

Expert Burns

The Chicago daily press are full of praise for the election commissioners and the county judge for selecting the W. J. Burns National Detective Agency to guard the registration, and later to watch the voting. To effectively watch crooks it was necessary to employ an agency which they were certain would not put other crooks to do the work. Mr. Burns, who is the head of the bank protection service of the American Bankers Association, won a big victory in this appointment over his former conspicuous competitor. The preferment having occurred in Chicago becomes official notice to all bankers of who is who at headquarters.

ARGO PRESIDENT CONFIDENT

E. T. Bedford, president of the Corn Products Refining Company and a director of the Standard Oil Company, who has just returned East from a trip to Chicago, believes that business conditions throughout the country are good. Information he has gathered from men in different industries indicates that general business will continue in substantial proportions.

Work on the enlargement of the Argo plant has been started. Plans for financing the work have not yet been definitely decided upon. Either the old Chicago property will be sold to provide for the construction or bonds will be issued.

SEES GENERAL IMPROVEMENT

Fred L. Trees, president of the Kokomo Trust Company, Kokomo, Indiana, visited Chicago last week and stated to officers of Central Trust Company that business conditions were fairly satisfactory in his neighborhood, a general improvement having set in with the appearance of spring weather.

James B. Forgan is in the South for a month's recreation.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

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HERMAN F. WOLF, 2nd Vice-President

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W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
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R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Milwaukee, March 16.—The progress of legislation pertaining to the banking interests continues to be the chief topic of conversation among Wisconsin bankers and in line with the policy of the Wisconsin Bankers Association of keeping its member posted is the following information sent out from headquarters:

"The segregation and guaranty bills have been argued before joint sessions of the committees. The next move will be a report by the senate committee, consisting of Senators Owen, Knight, Scott, Thomas, Weigle, Bossard and Snover and their report may be expected at any time, especially on the guaranty bill. The report of this committee will carry considerable weight although a unanimous report is not expected.

"Hearings have been held by the assembly committee on the bills relating to the duties of directors and the proposed bill will undoubtedly be reported favorably with these amendments: Directors to meet monthly between the first and the tenth and they will determine the value of all items of assets but will not be obliged to certify as to the genuineness of signatures as originally proposed. All directors must be residents of Wisconsin. Absence from three consecutive meetings, except for sickness, absence from the city or other unavoidable cause shall be cause for removal of director by vote of directors.

"The bill providing for examination fees of banks has been reported by the assembly committee and provides for an increase in annual fees based upon total assets of the bank in-

stead of capital stock, as now, and graded from \$20 for banks with assets of less than \$100,000 to \$100 for assets of \$1,000,000. This schedule will increase the total now paid by the state banks amounting to \$7,000 to a total of \$20,000. For this increase in fees the banks will receive (under another bill reported by the committee) two examinations a year instead of one and the number of the examiners will be increased from three to seven, the salary of the banking commissioner be increased from \$4,000 to \$5,000; the deputy from \$2,000 to \$3,000 and examiners and clerks from \$1,500 to \$1,800.

"The assembly committee will undoubtedly favorably report favoring 'all books of original entry, such as cash book, journal, draft, certificate and loan registers shall be permanently bound book and the so-called card system shall not be permitted as a ledger.'

"The assembly committee will also recommend the bill relating to loans made to bank officials but with an amendment permitting the managing officer of a bank to borrow no more than 2 per cent of the capital stock of his bank. Directors may borrow as now when authorized by resolution of the board."

Banks Show Healthy Growth

Milwaukee bank assets have reached a high record with a total of almost \$100,000,000. Including the state banks of the city total resources are \$99,365,343; a gain in two months of \$3,655,748. Milwaukee bank deposits March 7th also made a high record with \$81,593,044;

a gain in two months of \$4,131,339. Gains in all banks in the two months intervening since the call of January 7th are loans, 4 per cent, deposits 5 per cent, cash 3 per cent and total assets, 4 per cent.

This steady advance in loans shows that the demand for credit for the enlarged spring trade is as large as usual and while there is no indication of a boom everything point to a steady conservative growth.

While the Marshall and Ilsley Bank shows by far the largest actual gain of any of the state banks in actual figures their percentage does not appear so large owing to the difference in the totals. Among the big deposit gains are Mitchell Street Bank, 41 per cent; Badger State Bank, 28 per cent; Merchants and Manufacturers Bank, 23 per cent; Marshall and Ilsley Bank, 4 per cent and the West Side State Bank, 2 per cent.

The statement of the national banks for March 7th is considered the most notable ever issued with the total resources of all national banks of Milwaukee amounting to \$70,237,579; a gain in two months of \$3,403,687 and the highest total on record. The statements show good gains all along the line with an advantage in loans in two months of approximately \$1,599,048 and in deposits of \$3,488,726. The increase in loans and deposits indicates improved business condition. Bankers say that tariff revision will make some uncertainty in spring and summer trade as orders will be held back in case revision applies to all the schedules, or if the tariff question is ripped wide open.



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H. J. PAINE, Asst. Cashier	F. A. KIRCHHOFF, Asst. Cashier
F. X. BODDEN, Mgr. Bond Department	G. A. RUESS, Mgr. South Side Branch
S. H. MARSHALL	J. H. TWEEDY, Jr.
R. N. McMYNN	GUSTAV REUSS C. C. YAWKEY

Gains in deposits are due in part to the tax collections usual at this season of the year. The general trade feeling, however, is very optimistic.

National Bank Changes

Announcement has been made by the treasury department of a re-extension of the corporate existence of the Manufacturers National Bank of Racine until March 6, 1931. The comptroller announced these changes in officers in the national banks of this state: First National Bank, Baraboo, Jacques J. Pfasteht, assistant cashier; First National Bank, Stevens Point, O. A. Assmann, assistant cashier; First National Bank, Superior, Robert Kelly, first vice-president; Pear Benson, second vice-president, and J. F. S. Banks, assistant cashier.

City Official Wants to Turn Banker

Milwaukee City Treasurer Whitnall went before the committee on banks recently in favor of the bill permitting the Milwaukee city treasurer to receive deposits in sums ranging from \$5 to \$1,000 from citizens. The bill proposes that he shall pay 3 per cent interest. The deposits are to be secured by municipal bonds deposited with the secretary of state, and according to Mr. Whitnall this would form a safe bank for small deposits.

Explosion Causes Banker's Death

William P. Robinson, aged 66, assistant cashier of the First National Bank of Kenosha, died at this home in that city on the morning of March 11th as an indirect result of the explosion of the big powder plant at Pleasant Prairie during the past week. Mr. Robinson had been ill for some time and when Kenosha was so severely shaken by the explosion Mr. Robinson was attacked with extreme nervousness resulting in his death.

Trust Company Named Administrator

With the visit of Attorney-General Barcroft to Milwaukee a few days ago the fact was made public that the Wisconsin Trust Company, of which Oliver C. Fuller is president, has been named as the administrator of the Wisconsin estate of the late Marshall Field of Chicago.

A Milwaukee paper contains the following: "The Wisconsin Trust Company is the administrator 'de bonis non' with the will attached,' for the estate of the late Marshall Field, the Chicago merchant prince. Translated into the language of the layman this means that the

estate owns real property in Wisconsin, and it became necessary to probate the will here, so the Wisconsin Trust Company was appointed administrator for this estate."

First National, Antigo, Wins Case

A decision was recently handed down by the supreme court in the case of the First National Bank of Antigo vs. George Wunderlich, affirming the decision of the lower court, which was in favor of the bank. The case grew out of an agreement signed by Wunderlich for J. N. Sanford, who was at that time a member of the C. Wunderlich Lumber Company, and on which he secured loans.

Lancaster Bank Reorganizes

The First National Bank of Lancaster recently increased its surplus from \$12,000 to \$25,000 and completely re-organized. L. H. Stevens is the new president, succeeding P. T. Stevens. The latter, with G. A. Stevens will act in the capacity of vice-presidents of the institution. L. A. Clark retains his position as cashier. The five officers will constitute the board of directors. The bank reports a constantly increasing business since its organization and still further plans are being made to extend the business.

Banking Notes of Interest

John P. Kalt, who has been cashier of the First Wisconsin Bank at North Fond du Lac for the past four years, has resigned his position to identify himself with the new Citizens

State Bank of Fond du Lac, which, it is expected, will be opened for business in May.

The plans for the North Avenue State Bank, Milwaukee, have been completed. The building will be 30x70 feet, two stories, of solid brick with terra cotta front and tile floors.

The Bank of Shell Lake opened for business March 1st and reports an unusually auspicious opening.

The Pulaski State Bank now occupies its new building. This bank is in first class condition with deposits of \$42,000 and loans amounting to \$45,000.

At a meeting of the stockholders of the Second Ward Savings Bank of Milwaukee the following were elected as directors: Henry Schroeder, William B. Uihlien, Albert Esler, Fred Schroeder and Robert Uihlein.

Oliver C. Fuller, president of the Wisconsin Trust Company, has returned from a three weeks' stay in Florida.

Muscoda, Wis., is to have another bank, articles of incorporation for which will be filed at Madison within a few days. Enough stock is reported as having been subscribed at \$100 a share to incorporate for fully \$15,000.

President Thomas Daly of the Commercial National Bank of Oshkosh was a visitor in Milwaukee during the past week to attend a meeting of the directors of the Marine National Bank.

The First National Bank of Edgerton has opened for business. The new quarters are especially well adapted to the business with ample vault room and office equipment as well as convenience for the public.

The stockholders of the new bank at Forest Junction have elected the following officers: President, John Segbold; vice-president, G. Schmidt; cashier, William Alten; assistant cashier, L. Hoffman.

A. C. V. Elston has resigned as cashier of the Muscoda State Bank and will take a trip to Florida. He still remains president of the institution, with which he has been connected for 27 years.

Daniel T. Liesk has been elected cashier of the Red Granite State Bank. Mr. Liesk has been connected with the Milwaukee National Bank for a number of years and is an active member of the Milwaukee Chapter of the American Institute of Banking.

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RICHARD J. FAUST, Jr., Asst. Cash.
J. FRANKLYN BOUKER, Asst. Cash.

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Bogus Money Men

For five weeks agents of the secret service have been playing at hide and seek with a gang of counterfeiters and the game has covered three states of the Central West. Complete success finally came to the pursuers last week, so they say, when five men alleged to compose the gang were arrested in various places but all charged with substantially the same crimes. The men are said to have counterfeited the \$5 bills of the German National Bank of Beloit, Kan. Thomas Clark is in jail at Huntsville, Ark., J. G. Durham is in jail at Licking, Mo., Carl H. Evers in Chicago, Bode Payne at Rolla, Mo., and Harry Burke at Alton, Ill.

"MARIE CLAIRE"

Marguerite Audoux's "Marie Claire," the book which has aroused so much interest in French and other European literary circles and which took the Concourt prize of \$1,000 awarded annually for the best French book of fiction, was written by a poor seamstress in Paris earning only 60 cents a day. Through the help of an enthusiastic introduction by Octave Mirbeau, the literary idol of Paris, the book had a wonderful sale, for it is not at all the sort of book that one would expect the people of Paris, that most Bohemian and artificial of all cities, to take up. It is not really a novel, having no distinct plot, but is simply the story of the author's childhood and girlhood experiences told with a simplicity and charm that is irresistible. Beginning with the death of her mother, the reader is next given a picture of her father who "rocked when he walked," the desertion of herself and her sister by him, the years in the convent, her service on a farm, her love experience and its disappointment, finally her departure for Paris. Perhaps the secret of the book's charm lies in the fact that her language and ideas are always entirely in conformity with that age of which she is speaking, yet she has the rare gift of giving distinct pictures of each person and incident. Any one expecting a "thriller" will be disappointed for it has no great scenes but merely depicts the emotions and thoughts of a young girl. Arnold Bennet's introduction to the American edition is perhaps the best description of it: "It is not fiction. It is the exquisite expression of a temperament. It is a divine accident." "Marie Claire" has been translated into Eng-

lish by John Raphael with wonderful success for he has preserved the French simplicity and imagery of the author. It is being issued by the George H. Doran Company, New York. Price \$1.20 net.

SAYS OKLAHOMA GUARANTY IS A FAILURE

A visiting banker from Oklahoma who claims to be interested in both state and national banks in that state has had interviews printed in Chicago papers declaring the entire Oklahoma system of bank guaranty a failure. He does not permit the use of his name nor give statistics but makes some rather astonishing assertions. The fact that the interview appears anonymously precludes its being published in THE CHICAGO BANKER.

BANKER'S SUDDEN DEATH

Mabel, Minn., March 15.—Recovering from a severe cold, E. L. Tollefson, president of the First National Bank, took a nap preparatory to going down town and fell to the floor. When he arose he died almost instantly.

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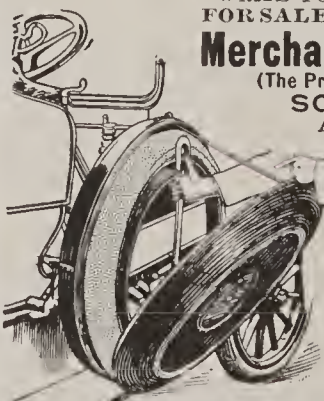
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Col. J. S. Aisthorpe

Col. J. S. Aisthorpe of Cairo was in Chicago this week. He is busily engaged on his history of the Illinois Bankers Association, which will celebrate its twenty-first anniversary this year. It promises to be a very interesting document especially that portion covering the amalgamation agreement which kept private banking in Illinois alive for years after it had been abolished in so many less progressive states. The bargain was a bad one and the newly revised constitution probably will put an end to it.

BANKERS TO DINE APRIL SEVENTH

The next dinner of Group Seven of the New York State Bankers Association will be held at the Hotel Astor, Manhattan, on the evening of April 7th. This place and date were determined upon by the committee in charge of the dinner, and in order to make it the most successful in the annals of the association an excellent program of speechmaking has been prepared. Comptroller William Pendergast has promised to make an address, as has Superintendent of Banks C. H. Cheney and the Rev. Dr. S. Parkes Cadman, pastor of the Central Congregational Church.

G. Foster Smith, of the Nassau National Bank, was recently made chairman of Group Seven.

SENTENCE WITHHELD IN ROBIN CASE

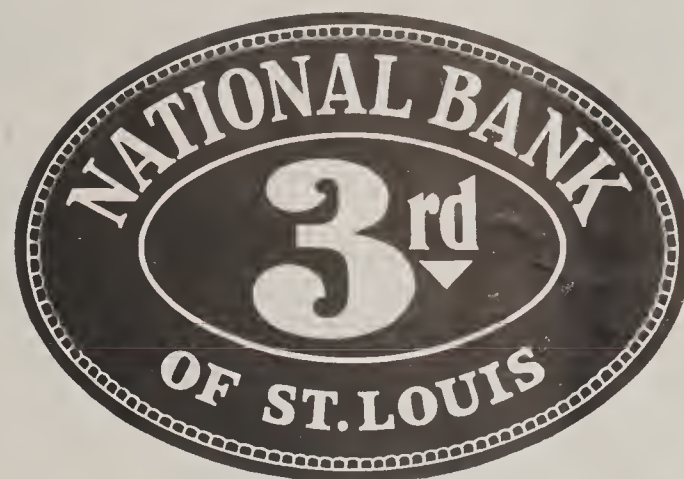
The Supreme Court of New York has decided to withhold its sentence upon Joseph G. Robin who recently pleaded guilty to larceny of the funds of the Washington Savings Bank of that city. This postponement of sentence is that Robin may assist the New York district attorney who is investigating the affairs of the old Carnegie Trust Company. It is expected in New York financial circles that quite a number of indictments will be found before the investigation is ended.

The safe of the bank at Viola, Kansas, near Wichita, was blown by robbers recently and only \$50 was taken, the thieves overlooking considerable cash that was elsewhere in the bank. The robbers made their escape, but were captured two days later near Hutchinson, Kan.

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H. HALL, Assistant Cashier
E. C. STUART, Assistant Cashier**Kansas City**

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The quarterly call of the comptroller of the currency at Washington on March 7th, found the banks of the Central West in a prosperous and reassuring condition. In the larger cities of Kansas City, Omaha and St. Joseph it was noteworthy that the loans and discounts showed an increase which is evidence that the bankers are not curtailing credits while the reserves have been piling up. The situation appears to warrant fully the claim of Central West bankers during the past few weeks that "money is easy," a formula that has grown somewhat monotonous.

Kansas City bankers are congratulating themselves upon the heavy increases in deposits that have marked the period since the last call on January 7th. The figures show that the national banks of Kansas City now have on hand a total of \$108,565,229, or an increase of more than \$9,000,000 since the last call. As it is customary for the state banking department of Missouri to issue calls simultaneously with the comptroller of the currency, the state banks of Kansas City and trust companies under state charters, also made public statements. These institutions show a gain of more than \$1,000,000 since the previous call. The total combined deposits of state and national institutions in Kansas City amount to \$135,775,525.

During the past two months the banking institutions of Omaha have shown substantial growth in all lines. The last call found the national banks nearly \$7,000,000 stronger in deposits than they were at the time of the previous call in January and they are within \$2,000,000 of the top notch mark of March 29th a year ago. During the past two months the loans and discounts of the Omaha national banks have increased nearly \$1,000,000 but they still have a great deal of idle money on hand. This situation makes an easy situation for the borrower and helps the general business men. In St. Joseph the local bankers are congratulating themselves upon the substantial gains they have made during the past two months. All over the Central West

this improvement has been noted and nowhere is there anything to cause anxiety. This is the "dull" season and the call of a year ago came later when the business awakening was fairly on. Therefore it is hardly fair to make comparisons in the statements of March 29, 1910 with those of March 7, 1911. But even if this is done it brings a favorable showing for the present year.

Stirs up Trouble

Attorney-General Dawson of Kansas has stirred up a mess of trouble because he gave wide publicity to charges that many state and probably a few national banks of that state were acting as agents for brewers and whiskey houses in violating the prohibitory law. The method of working this game, according to the attorney-general, is for a brewer or liquor dealer outside the state to send a consignment of goods to a Kansas town with the bill of lading mailed to the bank. The bank disposes of this bill of lading to anyone wanting liquor and returns the money less the fee. The operation is simplicity itself. But these charges brought an immediate and emphatic denial from Bank Commissioner Dolley who has defended the Kansas bankers from what are considered by many people absurd charges. Dolley demands facts and as yet Dawson has not produced them. The bankers of Kansas are indignant at what they consider a totally unjustifiable reflection upon their honesty and good citizenship.

Assessment Causes Stir

There is consternation among the state banks of Oklahoma because of the additional assessment made upon them to replenish the state bank deposit guaranty fund. The state banking board has just levied a 1 per cent emergency assessment on the average daily deposits of the state banks of Oklahoma which brings the total assessment of Oklahoma state banks since the guaranty law was enacted three years ago, to 33-20 per cent, or a total of more than \$1,500,000. In addition to this a 1 per cent assessment was levied a year ago

on the increased deposits in state banks. This showing is being used by many state bankers to indicate why there should be a full accounting by the state banking department of the receipts and expenditures of the fund before any more money is paid in.

The burden placed upon the Oklahoma state banks by reason of the heavy assessments required by the guaranty law, has caused many of these institutions to make application for national bank charters. It is said that these applications have been pouring into the treasury department at Washington of late. It is understood in the department that the transfers are asked in order that banks thus applying for national charters may avoid the last assessment upon state banks. Among the Oklahoma state banks to nationalize with the past few days is the Oklahoma State Bank of Tulsa, of which Grant McCullough is president, and the Bank of Claremore, the largest financial institution in Rogers county, Oklahoma.

St. Joseph Prospering

W. A. P. McDonald, manager of the St. Joseph clearing house, is one of the best posted men in Northwestern Missouri on financial matters. He is intensely enthusiastic over the local situation and speaking of the St. Joseph clearings last week he said: "There has been a steady increase in St. Joseph clearings ever since the organization of the clearing house association. The increase of this week's clearings over those of the corresponding week of last year is 9.1 per cent, and an equally large increase has been the rule every year since there has been a clearing house here."

"There were those who thought that the slump in St. Joseph's population, as shown by the last federal census, would cause a decrease in bank clearings, but, as the figures show there has been an increase over last year of more than a million dollars, and the indications are that the volume of business transacted in and through St. Joseph will increase steadily with resultant increase in bank clearings. The officers of the clearing house association feared

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CAPITAL, SURPLUS AND UNDIVIDED PROFITS

\$3,700,000.00

Fort Dearborn National Bank

UNITED STATES DEPOSITARY

Capital	-	\$1,500,000
Surplus and Profits		500,000
Deposits	-	21,000,000

WM. A. TILDEN, President

NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President

HENRY R. KENT, Cashier

GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier

THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
January 7, 1911	16,736,997.29
March 7, 1911	21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

that there would be very little, if any, increase this year over last year, due to general inactivity in business circles throughout the country on account of the consideration of the tariff matters by congress, and they are surprised that the increase is so large."

Competition Ceases

On Wednesday of last week all competition between banks in Kansas under the guaranty law ceased. On that date all the banks in the state were limited to paying 3 per cent interest on time deposits, under the order of Bank Commissioner Dolley in conformity with the recent law providing for a maximum rate to be fixed by the bank commissioner. The bank commissioner has the right to fix a higher maximum rate in counties where it is desirable to have a higher rate, but for the present all the banks of Kansas will come under the general order. Later the petitions in counties where a higher rate is desired will be considered.

Southwestern Notes

When Ray W. Cotton, cashier of the Bank of Cameron, Oklahoma, was married last week to Miss Madge Harbour of that place, the whole town celebrated. The bells rang, dynamite was exploded, bands played in the public square and for hours people paraded the main streets.

John P. Lynch, former alderman of Kansas City was elected a director of the Fidelity Trust Company of that city last week.

In a suit for \$10,000 damages for slander brought by Jesse Scott against Carr Peterson, vice-president of the First National Bank of Haskell, Okla., a jury returned a verdict for the defendant. It was charged that Peterson calced Scott a bootlegger which, in Oklahoma, is a deadly allegation.

The Cleveland National Bank of Cleveland, Oklahoma, will begin the erection of a bank building and business block soon. Cleveland is the center of the oil district of Oklahoma.

C. S. Jobs, president of the Security National Bank of Kansas City has brought suit against Conway F. Holmes, vice-president of the Pioneer Trust Company of Kansas City. Mr. Jobs alleges that this amount is due as a consideration in helping sell a block of Pioneer Trust Company stock.

Robert L. Ball, the banker of San Antonio, Tex., who was seriously injured in a railroad

wreck December 30th, was operated on in a Kansas City hospital last week. His condition is encouraging.

Ernest C. Hartwig, for many years cashier of the First National Bank of St Joseph, Mo., and who was recently elected its first vice-president, is critically ill. It is not believed that he can recover.

P. W. Goebel, president of the Commercial National Bank of Kansas City lectured one evening last week before the students of the Kansas City University on "Business Honor."

W. H. Schmick of Cleveland, O., and S. H. Brainard of Medina, O., both former bankers, were paroled from the federal prison at Leavenworth last week.

What has come to be known as the "Blue Sky" bill in the Kansas legislature has passed both houses and is ready for the governor's signature. This is the measure providing for the regulation and supervision of investment companies by the Kansas banking department in order to protect Kansas investors from fake stock concerns.

CALIFORNIA

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BANK STOCK QUOTATIONS

Among the more active Chicago bank stocks quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK	Book Value
Ashland State Bank.....		110	104
Austin State Bank.....	300		241
Calumet National.....	150		144
Central Trust Co.....	170	173	147
Chicago City Bank.....	183	186	145
Chicago Savings.....	145	148	122
Citizens Trust.....	165		116
City National (Evanston).....	300		229
Colonial Trust.....	180	183	179
Continental & Commercial.....	282	284	169
Corn Exchange National.....	426	431	289
Drexel State.....	151	161	116
Drovers Deposit National.....	222	228	173
Drovers Trust.....	183	190	167
Englewood State.....	125	130	122
Farwell Trust Co.....	118	121	113
First National.....	419	422	272
First National (Englewood).....	280		221
Fort Dearborn.....	205		132
Hibernian Banking.....	220	225	169
Illinois Trust.....	498	502	280
Kaspar State Bank.....	250		190
Kenwood Trust.....	151	155	125
Lake View Trust.....	139	144	125
La Salle Street National.....	115	118	125
Live Stock Exchange National....	243	250	143
Merchants Loan.....	438	440	304
Metropolitan Trust.....	127	130	131
Michigan Avenue Trust.....	135	138	130
Monroe National.....	130	135	122
National Bank Republic.....	199	202	166
National City.....	229	231	133
National Produce.....	145	148	135
North Avenue State..	138	141	135
North Side State.....	160	175	159
Northern Trust Co.....	314	318	268
Northwest State.....	124	126	113
Northwestern Trust.....	158		137
Oak Park Trust.....	236	240	190
Peoples Stock Yards State.....	216	221	137
Peoples Trust and Savings.....	170	172	130
Prairie State.....	250		115
Pullman Trust.....	159	164	188
Railway Exchange.....	125		113
Security Bank.....	210	215	169
Sheridan Trust & Savings.....	113	115	111
South Side State.....	143	147	106
South Chicago Savings.....	149	152	147
Standard Trust.....	134	136	127
State Bank of Chicago.....	370	380	228
State Bank of Evanston.....	298	300	237
Stockmen's Trust.....	115	120	118
Stock Yards Savings.....	209	214	177
Union Bank (Chicago).....	145	150	122
Union Trust Co.....	300		202
Washington Park National.....	135		109
Wendell State Bank.....	110		117
Western Trust.....	149	151	115
West Side Trust.....	200		165
Wilmette Ex. State.....	120	130	108
Woodlawn Trust.....	174	178	132

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

CHICAGO CHAPTER

At the last regular meeting of the debating club held Tuesday, March 7th, John M. Drummond, who was elected secretary of the club at the preceding meeting, resigned as he felt his many outside interests would prohibit him from either doing justice to himself or the club and thought it best to resign the office. Mr. Drummond has always taken an active interest in the club and it was with great reluctance that his resignation was accepted. F. G. Murbach of the Union Trust Company was elected to fill Mr. Drummond's unexpired term. This gives the Union Trust Company two men on the official staff, Mr. Coleman being vice-president.

The program for the evening consisted of narratives of personal experiences of the various members, Mr. Drummond, who by the way might be called the humorist of the club described a trip to Mammoth Cave, Ky., last year. The story was well told and deserved the hearty applause given at its conclusion.

Mr. Coleman helped things along considerably by telling of a trip to the United Steel Mills, and while his trip might have lacked in mileage, the interesting and instructive information which he had gathered and presented to the club more than covered the shortage.

Mr. Murbach also enlivened things by giving a talk on his travels to Washington, Philadelphia, Atlantic City, New York, Albany, Magos and Cleveland.

Mr. Ashley related a few of his experiences while a member of a surveying party six years ago and told of the trials that the members of a railroad locating party are forced to endure.

Mr. Schroeder acted as critic and did his duty cheerfully.

KANSAS CITY CHAPTER

J. Z. Miller, Jr., vice-president of the Commerce Trust Co. of Kansas City, addressed the Kansas City Chapter, American Institute of Banking, March 9th on "Trusts." There was a large attendance as the members of this chapter are taking more than usual interest in the present course of addresses. "The modern trust company," said Mr. Miller, "is peculiarly an American institution of finance, adapting itself most readily to the varied fiscal, banking and fiduciary requirements of the communities, both large and small. It is the most responsible agency in this country to-day for the conservation of both wealth and property." Mr. Miller then referred to the vast amount of treasure guarded by trust companies, which, at the last meeting of the American Bankers Association was reported to be \$30,000,000,000. "Every great industrial or financial enterprise," he continued, "sooner or later finds it necessary to invoke the fiduciary and protective services of trust companies. Prior to 1830 there were no actual trust companies in existence. Twenty years ago there were less than one hundred trust companies in this country while to-day the total is 2,340."

Mr. Miller then outlined to the student bankers the varied services that are performed by trust companies and the many and sometimes unique ways in which they may be useful to every community. He also referred at length to the Aldrich plan of financial reserves. "It is obvious," continued Mr. Miller, "that

trust companies with approximately \$5,000,000,000 banking resources commanding 22 per cent of the entire banking strength of the nation should be considered in any far-reaching plan for the revision of our currency and banking system. Senator Aldrich apparently recognized this fact, for he recommends the creation of a new class of national banks, to be in effect national trust companies. The subject of nationalization has been discussed among trust company officers on various occasions, and there has been a division of opinion. Those who are opposed to nationalization base their conclusions on the fact that one of the reasons for trust company success is the fact that they render such varied service to the communities where they are severally located and so are adaptable to the different fiscal, fiduciary and banking requirements which prevail in different sections of the country. Those who favor nationalization point to the advantage of uniformity of functions and participation in the privileges extended banks by the proposed reserve association, which is very important. However, it is reasonable to suppose that congress will enact no legislation on this subject without ascertaining the enlightened and best sentiment prevailing among officers and directors of trust companies. The modern trust company is still upon the threshold of its sphere of usefulness and it is noteworthy that it continues to grow in public favor and volume of business. Its position is established."

TACOMA CHAPTER

The March meeting of Tacoma Chapter was a typical northwestern booster meeting with all the old, dyed in the wool members on hand to speak a good word for the institute at large and the educational work being carried on by the local chapter.

The meeting was called to order by the secretary who officiated in the absence of the president, Mr. Crocker, who lies critically ill; and announced that the meeting was thrown open to the members to do with as they would.

After listening to some twenty-odd speeches, well delivered by Tacoma Chapter's young orators, and signing in several new members, the old and new Institute workers were united in musical harmony delivered by the National Bank of Commerce Quartette which did yeoman service, responding to encores beyond count.

Plans for the baseball season were laid before the meeting by Chas. A. Craft an old hand at the bat, who promises laurels from the diamond to be hung on the chapter rooms walls if given the support he deserves.

Refreshments and smokes filled the latter part of the evening with jolly good fellowship which is always needed when good work is to be accomplished by a body of energetic young Americans.

VIRGIL W. FELL.

BIG TRUST COMPANIES' BANQUET

Plans are being rapidly consummated for a large banquet to be given by the trust companies of the United States under the auspices of the trust company section, American Bankers Association. This banquet will be held in the grand ballroom of the Waldorf-Astoria on the evening of May 5th, when members of the executive committee will have returned from the Nashville council meeting.

It is planned to make this banquet national in scope, and it is hoped that members of the section from all parts of the country will be in attendance. Prominent speakers will be present, and it is believed that the affair will emphasize the growing importance of trust companies throughout the country. Full details will be sent to all members of the section.

The following trust company officers have agreed to serve on an honorary committee of arrangements: Otto T. Bannard, president, New York Trust Company; Howard Bayne, vice-president, Columbia Trust Company, New York; Chas. J. Bell, president, American Security and Trust Company, Washington; Ralph W. Cutler, president, Hartford Trust Company, Hartford; E. Elmer Foye, vice-president, Old Colony Trust Company, Boston; Alexander J. Hemphill, president, Guaranty Trust Company, New York; A. A. Jackson, vice-president, Girard Trust Company, Philadelphia; Clarence H. Kelsey, president, Title Guaranty and Trust Company, New York; Alvin W. Krech, president, Equitable Trust Company, New York; Edwin S. Marston, president, Farmers' Loan and Trust Company, New York; E. G. Merrill, president, Union Trust Company, New York; Uzal H. McCarter, president, Fidelity Trust Company, Newark; John W. Platten, president, United States Mortgage and Trust Company, New York; A. H. S. Post, president, Mercantile Trust and Deposit Company, Baltimore; Wm. C. Poillon, president, Mercantile Trust Company, New York; Benjamin Strong, Jr., vice-president, Bankers' Trust Company, New York; Roland L. Taylor, president, Philadelphia Trust, Safe Deposit and Insurance Company, Philadelphia; Oliver C. Fuller, president, Wisconsin Trust Company, Milwaukee, and president, trust company section; Lawrence L. Gillespie, vice-president, Equitable Trust Company, New York, and first vice-president, trust company section; Philip S. Babcock, secretary; F. H. Fries, president, Wachovia Bank and Trust Company, Winston-Salem, N. C., and chairman of the executive committee.

DINNER FOR NATIONAL PRESIDENT

Members of the Pittsburgh Chapter, American Institute of Banking, gave a complimentary dinner for their fellow member, R. H. MacMichael, who was elected national president at the annual convention of the Institute. Mr. MacMichael has lately returned from a tour through the West, in which he visited and addressed a number of chapters of the Institute. Since his return he has addressed the local chapter on Institute affairs generally. The dinner was held on the night of March 16th. Mr. MacMichael is manager of the bond department of the Mellon National Bank.

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ACCOUNTS AND COLLECTIONS SOLICITED

Editorial Comment

CHICAGO'S GROWTH AS RESERVE CENTER

Chicago as a growing reserve center again has broken all previous records. More than \$900,000,000 now are carried in Chicago's state and national banks, the largest amount by seventy millions, ever reported for this center. Between calls the loans of all Chicago banks expanded only about \$33,000,000, and their total cash resources increased \$33,800,000. The total cash resources at the beginning of business March 8th—\$318,000,000—were 35.4 per cent of the total deposits, as compared with 34.3 per cent in January.

The forty state banks and trust companies showed a total increase of more than \$22,000,000, or about 5.2 per cent, in their deposits over the amount held in January. The national banks the day before had reported a gain of \$48,500,000, or 12.02 per cent. The state banks expanded their loans by only \$3,246,000, or about 1.2 per cent as compared with an expansion of \$30,000,000, or 10.6 per cent, by the national banks. The cash resources of the state banks went up \$18,500,000, or 15.3 per cent as against an addition of \$15,000,000, or 9.3 per cent, in the nationals. This is the first call in some time in which the national gains exceeded those of the state banks. Reserve business accounts for it.

Middle West conditions in banking lines are shown to be sound and prosperous. Chicago's growth as a reserve center has been phenomenal and her bankers can see nothing but further expansion on these lines for the future. So far as individual increases are concerned in the grand total they have been well distributed.

DILEMMA OVER GUARANTY ACT

The Nebraska bank deposit guaranty law was the one chosen for the test case before the United States supreme court recently and it was declared constitutional. Now the Nebraska legislature wants to amend this law which was passed two years ago, but is afraid that another opportunity will be given for appeal and further litigation. Although some of the proposed amendments are desirable it is doubtful if they will be adopted, for the reason given. The Nebraska senate spent the entire day March 8th, considering the amendment. The opposition came chiefly from the Democratic side. The amendments desired are: Relieving banks of back assessment not paid because the law was held up by injunction; limiting the maximum guaranty fund to 1½ times the average daily deposits in state banks; raising the pay of bank examiners from \$1,800 to \$2,000 a year; refusing to allow banks to pay more than 4 per cent interest on deposits; cutting out the present limitation which refuses to banks the right to loan more than eight times the capital stock.

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

PROGRESS OF THE SOUTH

One of the most striking and interesting facts in our national life is the new prosperity of the South. The past year was one of notable progress in many lines of industry. There were large returns to farmers from cotton, tobacco, corn, rice, fruit, live-stock and various other products. As a natural consequence mercantile trade was good and the general development was rapid.

The impressive thing about it is that the South has awakened to the need of a diversification of interests. Farmers have kept pace with manufacturers and merchants in this respect, the result being a rejuvenated country.

The story of this commercial awakening carries a lesson for the North. While the press has labored long and earnestly in behalf of a more diversified and scientific agriculture for all sections the South would seem to be taking the lead in the application of that principle.

Formerly there were thousands of Southern farmers who trusted entirely to cotton or tobacco, while in the North it was wheat, corn or milk. The single crop idea has held back the prosperity of farmers to an extent that is hard to appreciate. The modern agriculturist, however, talks and practices diversity. On the average farm of the South it is feasible to raise cotton, tobacco, corn, vegetables, fruit and live stock, and in many sections rice. There is so little frost there that double cropping is possible and it is becoming a common thing. A farmer can take off a crop of vegetables or oats, rye or wheat, according to locality, and then plant cotton or corn, with a reasonable certainty of success.

With this great progress in the country business generally is improving. The South has greatly needed a diversification of business as well as of agriculture, and under the modern spirit which is abroad in the land this is the order of the day. In many states of the Union people have farmed until the land has ceased to be productive, and in one state alone—New York—two years ago there were 3,000 worn out farms, lands which would hardly produce enough to pay the taxes. It is to avoid just such conditions that farmers in the South are studying markets, soil and climate as they never did before. There is greater diversity also in manufacturing and merchandising, with the result that all classes are prosperous.

BANK PROMOTION FIELD NARROWING

New laws like that just adopted for Alabama are taking bank organization out of the hands of professional promoters. Chains of banks will go by the board also, and thus two great evils will be abolished. The comptroller has sat down hard on the promoter in the national field, and for some time he has been operating under state laws. In half a dozen states, and probably before long in Tennessee and Arkansas, it has been made almost impossible for a bank promoter to operate successfully.

Inquiry of the state department in New York leads to the reply that to organize a bank in that state is no longer regarded as an easy and sure way of making money. Very few successful financial institutions have been established in New York in recent years, while not a few have died.

In the country at large the craze for starting banks has received a check, partly through changed conditions, partly by the comptroller's vigilance. The number of national banks organized last month was the smallest since the present banking law went into force. Indeed, the total for the first two months of 1911 is below the figure for any previous January alone. The severity of the decline in bank organizing is beginning to attract attention. It ever is getting more difficult to get good men to go on boards for new institutions. Prospective stock subscribers want to know who the directors are to be before they seriously consider the matter. One doubtful name has killed several otherwise promising projects in Chicago.

BANKERS ASK SQUARE DEAL

The Missouri Bankers Association is making a strong fight against the injustice of the present method of assessing bank stock in that state. A committee of the association spent a day in Jefferson City last week in an effort to make a more equitable adjustment of this matter by the state board of equalization. The average assessment in Missouri for the last few years has been on the basis of 55 cents on the dollar. The bankers ask that this be reduced to 50 cents. Even if this is done, the bankers say, bank stock then will be assessed out of proportion to the other taxable property in the state, as the average valuation, aside from bank stock, is hardly 33 1-3 cents on the dollar.

Thornton Cooke, treasurer of the Fidelity Trust Company of Kansas City and chairman of the legislative committee of the Missouri Bankers Association, made the plea for the bankers. One of the interesting facts disclosed by Mr. Cooke was that Missouri farmers own more bank stock than any other single class of citizens. Of 26,663 owners of \$29,000,000 of bank stock, 11,515 are farmers. The board will not pass on the question until all interests have been heard.

True to its Name—

The founders of the Northwestern National Bank exercised foresight in selecting its title.

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Combined Resources \$34,600,000.00

Convention Dates

- ARKANSAS—Little Rock, April 6 and 7; Secretary, Robt. E. Wait, Little Rock.
- SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.
- LOUISIANA—Baton Rouge, May 2 and 3; Secretary, L. O. Broussard, Abbeville.
- TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.
- MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.
- KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.
- TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.
- SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.
- CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.
- IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.
- VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.
- MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.
- MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.
- NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.
- NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.
- NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.
- OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.
- WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

SAN ANTONIO AS A HOTEL TOWN

San Antonio being the liveliest of aspirants for the big A. B. A. convention of 1911 the question naturally was raised as to her hotel ability to care for the guests and delegates. No other objection ever has been raised. THE CHICAGO BANKER has had an actual census of the room capacity made, not from guide books, but by canvass and with the following results:

Name	Plan	Room	Bath
St. Anthony	European	450	400
Menger	American	180	75
Gunter	European	350	200
Hot Wells	American	150	50
Hutchins	American	45	21
Crockett	European	75	50
Bexar	European	72	46
Southern	European	80	
Maverick	American	60	
Losoya	European	56	33
Savoy	European	100	18

Two of the hotels do not report rooms with bath, but the use of the hose probably is free. With nearly seventeen hundred rooms, most of them with baths it would seem that if Hoopes has kept up his work, it ought to be a walk-over for Texas at the Nashville meeting.

Another story is that New Orleans after having lost out on the Panama fair wants to reinstate her invitation, but likely Texas will object to this as unfair. The Nashville meeting will take place May 1st, 2d and 3d. Probably the Mexican invasion will be over by then, so that the location will have no military handicaps.

HEAVY TRAVEL SOUTHWARD

Illinois Central carried over 18,000 passengers to the New Orleans Mardi Gras. Southern resort travel is unusually heavy.

FORT DEARBORN TRUST AND SAVINGS

The organization of the Fort Dearborn Trust and Savings Bank of Chicago, which will be the savings bank department of the Fort Dearborn National, was authorized by State Auditor J. S. McCulloch at Springfield this week.

The permission was granted to William A. Tilden, Nelson N. Lampert, and Edward Tilden. Capital of \$250,000 was authorized and a ninety-nine year charter was granted. Previous announcement of the plan had been made.

JUDGE FISHBACK OFF TO EUROPE

Judge Charles F. Fishback, chairman of the Chicago board of control of the national irrigation congress, which will meet in Chicago this year, left on Monday for New York and will sail immediately for England. He will seek to interest Lord Alfred Harmsworth, and other English publishers, in the work of the congress and also will confer with financial interests in London and Liverpool on the investing of English funds in American development work.

MICHIGAN NATIONAL BANK CLOSES

Union City, Mich., March 14.—After two days' examination, National Bank Examiner F. A. Rorabeck of Chicago ordered the Farmer's National closed after banking hours Saturday night and requested Cashier Henry T. Carpenter to resign. The failure is attributed to loose banking methods, the carrying of much worthless paper. The assets lack \$70,000 of paying depositors, and in addition the bank's capital of \$50,000 is wiped out.

Robert O. Bailey of Illinois is the new assistant secretary of the treasury.

La Salle Street National Bank OF CHICAGO

CAPITAL \$1,000,000.00

SURPLUS \$250,000.00

OfficersWILLIAM LORIMER
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Vice-PresidentCHARLES G. FOX
CashierWILLIAM LORIMER, JR.
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INVESTMENT SECURITIES

Indiana

The banking department in the office of the auditor of state has completed arrangements of districts, by counties, to be covered by the six bank examiner recently appointed by the state auditor. Under the new arrangements the examiner of trust companies is eliminated. Each examiner has charge of all banking institution in his district.

The state is divided so as to give the various examiners as near as equal number of banks as possible. There are 621 institutions in the state, and the largest number of banks falling to any one examiner is 125 and the smallest 89.

Following is the list of the counties in each district and the number of institutions:

District 1—James C. Fletcher of Knox, examiner, 111 banks in the following counties: Lake, Porter, Laporte, St. Joseph, Marshall, Starke, Fulton, Pulaski, Jasper, Newton, Benton, White, Cass and Carroll.

District 2—Robert C. Houston of Frankfort, examiner, ninety-six banks in Warren, Tippecanoe, Clinton, Howard, Tipton, Boone, Montgomery, Fountain, Vermillion, Parke, Putnam and Hendricks.

District 3—Charles L. Howard of Hazleton, examiner, ninety-eight banks in Vigo, Clay, Owen, Morgan, Sullivan, Greene, Monroe, Knox, Daviess, Martin, Lawrence, Orange, Dubois, Pike, Gibson, Posey, Vanderburg, Warrick, Spencer, Perry and Crawford.

District 4—Arthur Cravens of Bloomington, examiner, eighty-nine banks in Marion, Hancock, Hamilton, Madison, Delaware, Blackford, Randolph and Jay.

District 5—William M. Whitson of Scottsburg, examiner, 102 banks in Harrison, Floyd, Clark, Washington, Scott, Jefferson, Switzerland, Ohio, Dearborn, Ripley, Jennings, Jackson, Brown, Bartholomew, Decatur, Franklin, Johnson, Shelby, Rush, Fayette, Union, Wayne and Henry.

District 6—William C. Thomas of Logansport, examiner, 125 banks in Miami, Wabash, Huntington, Wells, Adams, Allen, Whitley, Kosciusko, Noble, Dekalb, Steuben, Lagrange, Elkhart and Grant.

Burglars entered the Peoples Bank at Windfall, Indiana, by prying open the windows. They then blew the outer door of the vault and obtained \$500 in silver. For some reason they did not get into the inner vault, which

contained \$4,500 in currency. They escaped in a stolen horse and buggy. Five years ago last October the bank suffered a similar attack, with about the same result. The safe is badly damaged. Four hundred and fifty dollars' worth of postage stamps, left in the bank by the postmaster for safekeeping, was a part of the swag.

The Farmers' State Bank at Matthews, Indiana, was entered last week by robbers, the safe blown and fully \$3,000 taken.

F. O. HICKS IN BANK POSITION

St. Louis, March 16—Frank O. Hicks, national bank examiner and chairman of the eighth district, the largest in the United States, yesterday was elected vice-president of the Mechanics-American National Bank.

He succeeds L. A. Battaile, one of the most successful bankers in the South and the West, who felt obliged to resign because of prolonged ill health.

Mr. Hicks, who is 40 years old, has supervised the national bank examination of Texas, Arkansas, Missouri, Oklahoma, Kansas and Southern Illinois, comprising the eighth district. He has maintained headquarters in the Third National Bank building with twenty-two examiners reporting to him.

FACE A BIG PROPOSITION

Bankers of the Northwestern spring wheat region face a big proposition this season, according to Vice-President Donald S. Culver of National German American Bank of St. Paul. Mr. Culver was at Continental-Commercial National the fore part of the week and told Vice-President Van Vechten that spring business was already going forward with a rush. Farmers of the Northwest are the most courageous people in the world, he declared. They will increase their grain acreage unless prevented by unfavorable weather, and also will send more cattle, horses and hogs to market than ever before. Owing to the partial failure last season the financial problem is not a trifling one.

CHAPMAN BACK FROM PANAMA

Joseph Chapman, Jr., vice-president of the Northwestern National Bank of Minneapolis, Minn., was a visitor at National City Bank Tuesday. Mr. Chapman returned last week from his trip to Panama, looking the picture of health.

Heavy Exports

February exportations of farm products show a marked increase when compared with those of the corresponding month last year, according to figures just received by the Bureau of Statistics, Department of Commerce and Labor. Corn, wheat, flour, other bread-stuffs, and meat and dairy products all show a very large increase in February, 1911, compared with February, 1910. The quantity of corn exported in February, 1911, was practically 10¾ million bushels, against 4½ million in February of last year; of wheat, 1 1-3 millions bushels, against 1 million a year ago; of flour 839 thousand barrels, against 523 thousand in February, 1910; meat and dairy products 10¾ million dollars in value, against 9¾ million one year ago; and cotton, 410 million pounds, against 169 million pounds in the corresponding month of last year.

WISCONSIN BANKERS HERE

John A. Raup, cashier of City Bank of Portage, and Carl Engelke, assistant cashier of Germania National Bank, Milwaukee, were callers at Fort Dearborn National, recently.

Vice-President A. W. Barney of Bank of Sparta was a visitor at National City Bank Tuesday. Mr. Barney told his Chicago acquaintances that Wisconsin was enjoying a spring trade somewhat larger in volume than had been anticipated.

W. B. WELLS PASSES AWAY

St. Louis, March 17.—W. B. Wells, vice-president of the Third National Bank and manager of the Third National Bank Building, died March 15th at the Jewish Hospital from diabetes. His sister, Mrs. Anna Newton of Chicago, was at his bedside.

The funeral was largely attended by bankers and others. The pallbearers were Charles H. Huttig, William Enders, J. E. Smith, S. H. Fullerton, Thomas Wright, George L. Edwards, H. F. Knight and Edward Hidden.

VISITS THE TWIN CITIES

Vice-President Appel of LaSalle Street National has been on a visit to St. Paul and Minneapolis this week.



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J. S. CALFEE, Cashier

WALKER HILL, President

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G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, March 16.—A slightly improved demand for credits from commercial sources was about the only change in the St. Louis monetary situation this week. General business is showing decided signs of livening up, and bankers here, among them Walker Hill, president of the Mechanics-American National, look for a somewhat stiffer market during the course of the next thirty days. Mr. Hill bases his prediction on the gradually improving demand, which will ere long be stimulated by the needs of the country for spring agricultural operations.

The number of buyers here since the first of the present month is considerably larger than a year ago, and the big houses on Washington Avenue report sales to date in excess of those of the corresponding period last year. Country merchants are almost unanimous in the opinion that the spring trade will pass that of any year since the recent panic. Indications are for heavy wheat yields over practically the entire winter wheat belt, and though it is a little early to form estimates, the condition of the soil and growing plant is such, that without some radical and unforeseen factor, the output is certain to be enormous. Some money is going to the interior, but thus far the volume of currency and gold shipments has been light. The movement of the Louisiana and Texas early crops has been easily taken care of by the institutions in those states, as it comes at a time when the southern banks are filled, as a result of cotton payments. However, Southern and Southwestern balances at this center have been considerably reduced in the last three weeks, and notices of further reductions are on file with the leading reserve banks here.

International Bank Plans

The recent advance in International Bank stock from around \$250 a share to \$300 on bids, without a single share changing hands, was the feature in the bank and trust company group on the St. Louis Stock Exchange this week. No bank stock in St. Louis is more closely held than that of the International, and information relative to its going on is as difficult to secure as the stock. The property owned by the institution at Fourth and Chestnut Street, it recently sold to the government for the new Sub-treasury Building, which deal was a very profitable one. It was reported yesterday in brokerage circles that the International will shortly increase its capital stock from \$200,000 to \$500,000, and the plan of enlargement includes a stock dividend of \$100,000. The stockholders will pay \$200,000 for 2,000 shares of stock and receive 1,000 shares as a dividend. The institution has a surplus of \$253,270, and de-

posits of more than \$3,580,000, making \$17.92 of deposits for every \$1 of capital stock. Negotiations are pending for several locations, one at Broadway and Pine Street, in the quarters occupied by Browning and King. The old banking room of the Mechanics-American National, at Broadway and Locust Street, has also been considered.

Exit Old-fashioned Banking

On Monday the Boatmens Bank held a reception to celebrate the completion of its new banking room and fixtures, and also passing of the old idea of banking and banking methods. Edward Whitaker, president of the institution, is the central spirit of the innovation, which is looked upon with interest, as the Boatmens is the oldest bank west of the Mississippi River, and during all the years of its existence it was famed for ultra-conservation. In the physical arrangement, the officers, including the president, are put up just opposite the entrance, and the general impression on entering is one of openness and accessibility. The reception was attended by all the members of the banking fraternity, and leading business men in all lines and professional men of St. Louis. The numerous floral offerings made the bank resemble a flower show in full blast.

Want Assessment Lowered

A delegation, representing the Missouri Bankers Association, appeared before the Missouri State Board of Equalization at Jefferson City on Monday, asking that banks be assessed 50 cents on the dollar, instead of 55 cents as in other years. The bankers argued that 50 cents was 20 per cent above the assessment lev-

ied by the assessors and equalized by the board on lands and farm property. Figures were produced to show that the average assessment upon real estate is barely 22 cents on the dollar, while the bank stocks in the country are assessed 55 cents. It was shown that the board has equalized real estate in the country at 22 cents, live stock at 35 cents, and merchandise at 39 cents on the dollar valuation. The present mode of equalization is full of inconsistencies. It permits St. Louis, which levies over 65 cents on the hundred dollar valuation, to pay over one-third of the total taxes of the state. The members of the delegation were: A. O. Wilson, St. Louis; Thorton Cooke, Kansas City; J. W. Kayser, Sedalia; W. G. Gordon, Marshall; Richard Fields, Lexington; A. D. Buckner, Paris; D. N. Stafford, Seneca; A. H. Wait, Joplin and W. C. Harris, Fulton.

United Railways Adjustment

The proposed compromise between the United Railways Company and the City of St. Louis of the mill-tax proposition and other disputed matters, if adopted by the Municipal Assembly, will do more to clear up the financial atmosphere here than anything that has transpired in many a day. This mill-tax has hung like a cloud over the local security market, and has upset confidence in traction securities, which are the more largely dealt in than any other class of stocks and bonds. The company has been unable to market its bonds to take up underlying obligations falling due. Great sums of money are tied up in various financial institutions, and investors have suffered heavy loss in the recent suspension of the dividend on United Railways preferred and resultant drop in the market value of that stock. Since the proposed legislation was introduced, a marked improvement in the shares has been made. By the compromise the city agrees to abandon its claim to \$1,000,000 of accrued taxes under the mill-tax and to extend all franchises to 1948, in return for which the company promises to make extensive improvements in its service, and to construct new lines and extensions.

Bank Resources Enormous

All previous records for total resources of St. Louis banks were broken by the showing under the last call of the comptroller of the currency. On March 7th the total resources were \$427,349,830. Other items were: Loans, \$234,145,993, an increase of \$11,211,000 or 5 per cent over January 7th; deposits, \$353,582,857, an increase of \$19,650,000, or 6.4 per cent; cash and exchange, \$115,213,182, an increase of \$5,667,000 or 4.9 per cent. The total capital now

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STATEMENT OF CONDITION AT THE COMMENCEMENT OF BUSINESS, MARCH 8, 1911

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$2,285,413.36	Capital.....	\$1,000,000.00
Overdrafts.....	376.22	Surplus.....	250,000.00
Bonds, Securities, etc.....	510,799.66	Undivided profits less expenses paid.....	18,531.48
Due from banks.....	1,051,360.38	Deposits.....	2,737,198.70
Cash on hand.....	157,780.56		
	\$4,005,730.18		\$4,005,730.18

Charles S. Castle, President
Wm. F. Van Buskirk, Vice-President

James M. Miles, Cashier
Henry C. Stevens, Asst. Cashier

DIRECTORS

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George H. Taylor
W. J. Carney
J. J. Walser

Robert F. Carr
Frederick A. Hill
P. D. Castle
O. T. Hulburd

Fred F. Bullen
William H. Colvin
Charles S. Cutting
A. R. Marriott

William F. Merle
J. H. Roberts
Wm. F. Van Buskirk
Charles S. Castle

COMPARATIVE STATEMENT OF DEPOSITS

November 11, 1910.....	\$1,411,604.00
January 9, 1911.....	\$1,728,589.00
March 8, 1911.....	\$2,737,198.70

CAPITAL AND SURPLUS \$1,250,000

STANDARD TRUST & SAVINGS BANK

159 La Salle Street CHICAGO

stands at \$41,202,400, and the surplus and undivided profits at \$43,894,897. This is a decrease in the capital of \$355,000, which is accounted for by the retirement of the Washington National, with \$500,000 capitalization, and the increase in capital of the Manchester and Scruggs-Vandervoort and Barney banks.

Legislature Holding Out on Banks

St. Louis banks and trust companies, which last year put up \$10,000 to help carry on the work of the State Board of Immigration, are likely to be permanently shy that "temporary loan." Assurances were made by Governor Hadley and State Immigration Commissioner Curran that they would get the legislature to make good. Twice this session the Solons have been asked to do so, but have refused to appropriate the amount. The legislature admits that the board has done a "wonderful work" but the bankers reap the benefits of said wonderful work, so have got values received. Kansas City bankers are out \$6,500 and Springfield bankers \$8,667.

Missouri Banks Consolidate

The Bank of Fredricktown and the Fredricktown State Bank consolidated this week, with a capital stock of \$37,000. These banks are among the most important in that section of the state. J. M. Piertle, president of the merged institution; Carl Schwaner, first vice-president; Frank Schulte, second vice-president; A. J. Boardman, cashier and A. V. Downs and W. H. Farrar, assistants. The institution will occupy the banking room in the Merchants Hotel Building, formerly occupied by the Fredricktown State Bank, the Bank of Fredricktown having lost its banking room in the recent fire.

Francis to Address Bankers

Former Governor David R. Francis, vice-president of the Merchants-Laclede National, will address the joint session of the Missouri and Kansas Bankers Association at Kansas City on May 24th. W. J. Bailey, former Governor of Kansas will also speak at the meeting. Their topic will be Missouri and Kansas. Governor Francis will speak on "Kansas from the Missouri Standpoint," and Governor Bailey on "Missouri from the Kansas Standpoint." Other speakers will be F. O. Watts, president of the American Bankers Association and Franklin MacVeagh, secretary of the treasury.

Subtreasury Site Accepted

The Mercantile Trust Company has received infinite information from the Treasury Department at Washington that it is ready to close the deal for the purchase of the southeast corner of Fourth and Chestnut streets for the new Subtreasury building. The price paid for the ground is \$300,000, and the building will cost \$700,000 more, making a total of \$1,000,000. Enough of the appropriation for the building proper is available to commence operations immediately.

Chouteau Trust Company

The recently organized Chouteau Trust Company, with an authorized capital of \$100,000, half paid in, filed articles of incorporation this week. It will be open for business within a month or six weeks, with William Drozda president. The company will do a regular trust company business and will furnish safe deposits and savings bank facilities. To an extent it will be a competitor of the Manchester Bank. The institution will occupy the first floor of the building Mr. Drozda is completing at Manchester and Chouteau avenues.

LOSES RACE WITH DEATH

New York, March 15.—Mrs. Lillia Lewisohn to-day lost a 600 mile race with death. Her special from Asheville, N. C., pulled into the Pennsylvania railroad terminal in this city several hours after her husband, Albert Lewisohn, a banker of 11 Broadway, expired in the Red Cross hospital.

Mrs. Lewisohn's special, going sixty miles an hour, was wrecked Monday, forty miles south of Lynchburg, Va.

She hired another special, but it was four or five hours before she could get under way again. The delay took from her the final chance to see her husband alive.

When she got to the hospital she broke down completely. Lewisohn was told of his wife's efforts to reach him and died asking for her.

Blood poisoning following an operation on the nose killed Lewisohn.

NORTON GOES TO NEW YORK

It has been announced officially from New York that Charles D. Norton, former secretary of President Taft, will on April 1st become a vice-president of the First National Bank of that city.

Tax is Upheld

Washington, March 15.—By unanimous decision the Supreme Court of the United States sustained the corporation tax.

This action, upholding the constitutionality of those provisions of the Payne-Aldrich tariff law containing a levy on dividends, secures to the government a source of income of about \$25,000,000 a year.

The main points of the opinion are:

It was within the power of the senate to insert the corporation provisions in a tariff law, which originated in the house.

The tax is an "excise tax on the doing of business," which is exactly the basis on which the government defended the law.

The provisions of the law are not the arbitrary exercise of a power. This was urged in argument as one reason why the law should be held unconstitutional.

The tax is regarded as measured by income rather than being a tax on income.

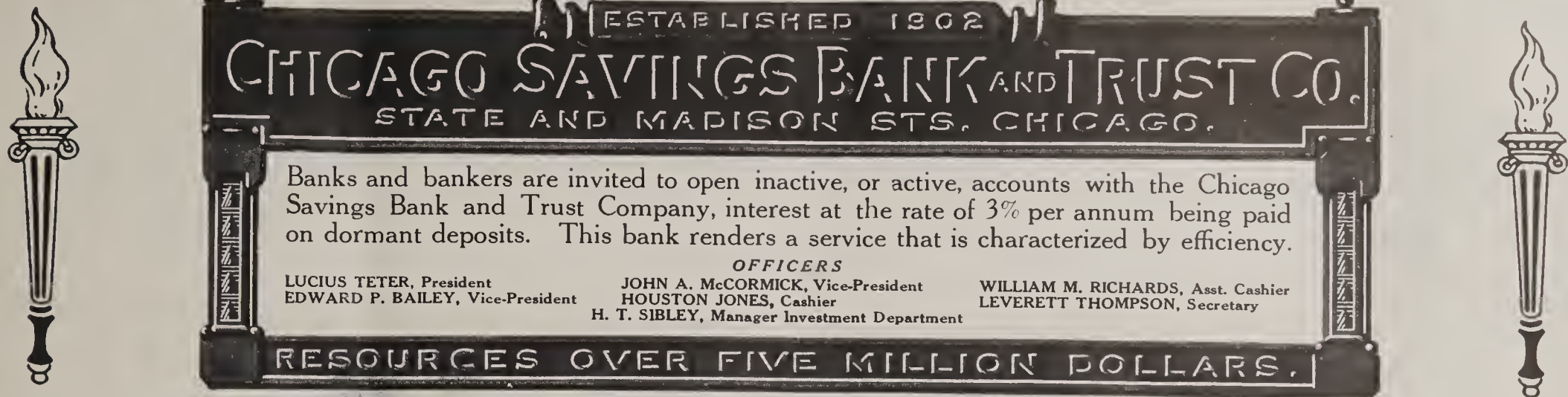
The law is not applicable to the real estate "trust" of Boston, which are organized not under any statute, but under the common law.

The law is not applicable to the Minneapolis syndicate, a real estate concern, on the ground that it is not "doing business" within the meaning of the law.

Of all the objections to the tax raised by suits in all parts of the country none of them was found sufficient to nullify the law.

Near the outset of the opinion, as it appears in printed form, is the statement that the tax "is imposed not upon the franchises of the corporation irrespective of their use in business, nor upon the property of the corporation, but upon the doing of corporate or insurance business, and with respect to the carrying on thereof in a sum equivalent to 1 per centum of the entire net income over and above \$5,000 received from all sources during the year; that is, when imposed in this manner it is a tax upon the doing of business with the advantages which inhere in the peculiarities of corporate or joint stock organization of the character described.

"As the latter organizations share many benefits of corporate organization it may be described generally as a tax upon the doing business in a corporate capacity."



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	H. T. SIBLEY, Manager Investment Department	

RESOURCES OVER FIVE MILLION DOLLARS.

Los Angeles

The committee of local bankers which financed the American Bankers Association Convention—the entertainment of the visitors—found, after all bills were paid, that \$5,000 still remained in the treasury—a most gratifying discovery and excellent showing certainly, if the prodigal character of the entertainment be remembered. The committee met last week at the Security Bank and ordered a distribution of the sum among the contributors—local banks—in proportion to their contribution.

N. W. Harris, one of the most prominent bond men in the county, is ill. He has gone to Arrowhead where he will remain several weeks, or until he has recovered. Mr. Harris recently arrived in Los Angeles on a pleasure and business trip, accompanied by his wife and Dr. Johnson of Chicago. Mr. Harris is president of the Harris Trust and Savings Bank of Chicago.

The bankers' convention held last summer has been the cause of a boom in this city's securities during the past six months. At that time the city entertained practically all of the prominent bankers of the country, most of whom were astonished at the rapid and substantial growth of this city and the wonderful resources and future that are apparent. The influence they have had in turning investment money this way has been wonderful and at present this city's securities are said to be held in higher esteem than those of New York City.

"The history of the market on the Los Angeles Stock Exchange for the past year has been one of steady growth, splendid opportunities and a general broadening of the whole list," says L. F. Parsons, assistant secretary and manager in his annual report just filed. "It is undoubtedly the biggest and best year the exchange has yet enjoyed."

To meet the demands of a rapidly growing business outside the state, the Los Angeles Fire Insurance Company has increased its capitalization from \$200,000 to \$1,000,000 and will enter the insurance field of the entire western United States. The company is composed of several of the leading business men of Southern California, Bradstreet Miller being the vice-president and active manager. The additional capital will be invested in high grade municipal and school bonds.

The demand for new offices and business accommodation in Los Angeles is exemplified in the rapidity in which the new building of the Los Angeles Trust & Savings Bank is erecting at Sixth and Spring streets, has been rented. More than sixty-five per cent of the offices in the eleven story building already have been reserved, and so great has been the demand that the owners have practically been able to

choose and pick their people. Office tenants will move in March 1st, but the bank will have to wait two or three months before it can occupy the ground floor.

At the conclusion of the arguments in the Baldwin will case Judge Rives announced that he would instruct the jury that the evidence adduced "fell far short of making out a case for the plaintiff" and that the jury return a verdict in favor of the defense. This ends the contest brought by Miss Anita Baldwin Turnbull, the 17-year-old Boston girl, for a daughter's share in the \$11,000,000 estate left by the E. J. (Lucky) Baldwin.

Negotiations are nearly completed for the merging of the Home Saving Bank, of Los Angeles, with the Broadway Bank and Trust Company, the control of which was recently purchased by a syndicate of stockholders of the Citizens National. The merger is to be effected by an exchange of stock of the Home and Citizens. The Home, on January 1st, had \$1,642,422 deposits, \$1,747,377 loans and \$400,000 capital. It is the purpose of the Citizens National to consolidate the business of the Home and the Broadway banks at some location yet to be determined and operate the concern for its savings and trust departments.

Los Angeles bank clearings continue to amaze even the local fraternity. In the percentage of gain of clearings this city leads the whole country. In the week ending March 2d the total of the clearings in Los Angeles was \$22,941,000, an increase of 33.1 per cent over the same period the year before. In the total Los Angeles is eleventh in the list of clearing house cities.

A report from Battle Creek, Mich., says that Stoddard Jess, vice-president of the First National of Los Angeles, who is taking the rest cure there, is doing well and expects to return to Los Angeles in about a month.

Charles G. Greene, cashier of the Merchants National of Los Angeles, has resigned to make another business connection. A successor will soon be named. Meantime J. H. Ramboz, assistant cashier, is attending to the duties of the office.

The new state superintendent of banks, R. W. Williams, has announced the appointment of A. W. Sinclair as head of the Los Angeles office. It is also announced that Henry E. Sherer, acting chief deputy under Alden Anderson, will not be retained. Mr. Williams' chief deputy is F. H. Thatcher of Los Angeles.

L. F. Parsons, manager of the Los Angeles Stock Exchange, has sent letters to all the bankers and financial men of the city in the interest of a plan to have all securities handled in Southern California registered.

A total of 790 permits for the erection of buildings in Los Angeles were issued in February by the department of buildings. The valuation was \$978,000.

San Francisco

During the month of February the operations of the San Francisco Clearing House Association were \$168,003,457.41; in the same month of 1910 they were \$166,709,308.39. In February, 1909, the clearings were \$130,678,894 vs. \$128,006,400 in 1908 and \$194,294,400 in 1907.

Clearings for the last nine months of 1910 were as follows: March, \$201,980,494; April, \$190,058,795; May, \$182,643,200; June, \$190,890,323; July, \$195,333,352; August, \$196,461,337; September, \$193,845,829; October, \$209,362,340; November, \$203,594,361; December, \$202,875,553.

E. W. Wilson, manager for the International Banking Corporation in this city has announced that the international corporation had taken over the Bank of Commerce and that it would be conducted as a branch of the bank in the Mills Building. The Bank of Commerce will be continued as a branch. Robert Davies, president of the Bank of Commerce, will remain in charge of the branch bank. The Bank of Commerce has a capital of \$50,000, fully paid, and a surplus of \$5,000. It has been operating less than two years.

The new Ontario Bank of Ontario, Cal., is opening for business in temporary quarters at Euclid Avenue and B Street. The capital stock is \$50,000. Officers: W. A. Freemire, president; J. R. Pollock, vice-president; G. A. McCrea, cashier.

The comptroller of the currency has approved the application of John A. Park, K. M. Strobridge, M. C. Peterson, J. E. Geary and J. H. Woods to organize the First National Bank of Haywood, Cal., with a capital of \$25,000.

Edward Canfield Sterling, a capitalist and banker, is dead. Mr. Sterling had large property interests in Texas which he disposed of recently. He was also interested in a large number of corporations at the time of his death, either as an officer or director, but had gradually retired from many others during the last few years. In addition to his beautiful home on Crescent Avenue, he owned a ranch of several thousand acres on the Mojave desert near Victorville. He was vice-president and director of the Citizens National Bank of Redlands, and had extensive property interests in Los Angeles, San Francisco, and St. Louis.

A petition has been filed in the superior court by the Central Bank of Oakland asking permission to change its name to the Central Savings Bank of Oakland. Since the bank secured a charter as a national bank, the commercial department has been known as the Central National Bank, the old name, Central Bank, being retained by the savings department.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

"Every American ought to go and see the Panama canal," said Joseph Chapman, Jr., vice-president of the Northwestern National, Minneapolis, Tuesday, on his return to work. Mr. Chapman has been down twice. He says that the trip would make every American prouder of his country.

"Down there they say the canal will be open in 1913," continued Mr. Chapman. "The machinery is marvelous. Much of it was invented by the soldier-engineers. Machinery offered in the market was not equal to the work."

"We went up three miles from the Pacific side. The three locks are 1,000 feet long, 80 feet high, seven feet thick made of sheet iron riveted together. As a matter of fact the cut is only nine miles long, while the isthmus is fifty miles across."

"New York bankers report business quiet. They fear tariff tinkering at the extra session of congress rather than the passage of the reciprocity treaty. Another bad influence is the delay and uncertainty over the decisions of the supreme court in the Standard Oil and American Tobacco cases."

Banks Show Gains

Gains indicating early business are shown in the Twin City banking statements on the second call for 1911. On January 7th the deposits of the Minneapolis banks were \$89,101,025 and on March 7th they had grown to \$93,895,806. Commercial banks increased deposits \$4,795,780 to a total of \$75,132,820. The savings deposits were \$18,743,986. Loans and discounts totaled \$56,344,096, while at the previous call they were \$54,912,258. In the larger commercial banks the deposits were: Northwestern, \$24,144,190; First National, \$19,036,541; Security National, \$18,125,797.

In the seven St. Paul national banks deposit gains were \$5,350,536. The totals aggregate \$44,000,000. With the trust and savings bank gains the aggregate is \$50,000,000. Some of the increase is charged to payment of taxes by

the railroads to the state, which is about \$2,000,000 of the total.

Six national banks, having a capitalization of a million or more, three in Minneapolis and three in St. Paul, gained \$8,097,556 deposits, distributed as follows: First of St. Paul, \$1,913,015; Northwestern, \$1,832,400; Merchants, \$1,373,454; Security, \$1,128,372; German-American, \$1,069,429; First of Minneapolis, \$780,786.

Banker Interested in Orchards

F. E. Holton, cashier of the Northwestern National, treasurer of the Mount Adams Orchard Company of White Salmon, Wash., has gone to look over his possessions, intending to stay two weeks. He is reported from that region as seeing wonderful development, and a great future for the non-irrigated fruit. He advocates a "Greater Hood River" federation of fruit unions in Hood River, Mosier, White Salmon, Lyle and Underwood. The company will plant 125 acres of trees and by summer will have 500 acres of apples and pears.

Makes European Tour

George F. Orde, vice-president of First National, Minneapolis, is going abroad for three months, following the meeting of the executive council of the A. B. A. He will take his family. This will be his first essay of the Atlantic. Mr. Orde says he is going to forget everything about the business and the first question he will ask on landing home is to be about the crops in North Dakota. Mr. Orde is methodical and has laid out his itinerary and details even to the first word of English that is to escape his lips on return.

Aid for Farmers

Seed men say the banks in the Northwest will have to loosen up if the farmers are going to buy seed. Bankers say they are taking care of their customers. L. A. Huntoon, president of the Minnesota Bankers Association, and of the First National of Moorhead, says: "We are

not advertising the fact that we are looking for seed loans. I think that all of the banks are taking care of their customers—that is the customers who are worthy of it. I think that all farmers will be taken care of, that are worthy of it, so that they can put in their crops, whether they are customers or not. No, I don't think that we will loosen up on the credit any more, at a later date than we have so far."

W. C. McFadden, secretary of the North Dakota Bankers Association, in regard to a report that lack of moisture and poor conditions influences the amount of credit said: "Not at all. The lack of moisture in the ground means nothing at all this time of the year. I think that all of the banks are taking care of their customers in regard to loans."

Mr. McFadden added that while the bankers organization, as such, has not concerned itself with the flax seed question, many individual bankers in portions of North Dakota where flax is an important crop are ready to see to it that flax in sufficient quantity for seeding purposes is forthcoming for farmers who want to seed this year, and who had poor crops last year or are starting in on new land.

Geo. F. Orde, vice-president of the First National Bank of Minneapolis, said that the plan in operation in several North Dakota counties of issuing county flaxseed warrants has the approval of bankers, that it is probable that such warrants will find absorption in the banks of North Dakota, but that should it be desired, the Minneapolis banks would loan money on them. The method to date, where flaxseed was obtained in that manner, has been to turn the warrants into cash at the local bank and pay cash for the seed.

State Auditor J. S. McCullough has issued a permit to Nicholas R. Jones, Carroll Caruthers and Sampson Cusdori to organize the Douglas State Bank of Chicago, with a capital of \$200,000 and a charter duration of ninety-nine years.

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Philadelphia

All records for bank clearings for the month of February in Philadelphia were broken. More than \$579,840,000 passed through the clearing house. This is an increase over the corresponding month of last year of \$12,990,465.

The directors of the Continental Title and Trust Co. have declared a semiannual dividend of 4 per cent on the amount paid in, \$25 per share, payable March 25th, to stockholders of record of March 15th. The declaration places the stock of the company on an 8 per cent basis. Dividends have heretofore been at the rate of 6 per cent per year.

The council of administration of the Pennsylvania Bankers Association has reached a decision that the annual convention of this association be held at Philadelphia June 13th and 14th. It is expected to be one of the largest events in the history of the association.

An amendment to the bank and savings institution taxation bill of July 15, 1897, was introduced by Harry W. Bass, of Philadelphia in the house of representatives. Under the act as it stands, state banks and savings institutions are taxable at the rate of four mills upon the actual value of the capital stock. The act also contains the following alternative: "Except, however, that any bank or savings institution may elect to collect annually from the stockholders thereof a tax of 10 mills on the dollar upon the par value of all shares of said bank that have been subscribed for or issued, and pay the same into the state treasury." Mr. Bass's amendment proposes to strike out this alternative.

The Girard Trust Company has declared a quarterly dividend of 8½ per cent. This is the first quarterly dividend declared by the company. Heretofore payments have been made twice a year.

Representative J. Hampton Moore, receiver of the defunct City Trust Co. of Philadelphia, hopes to be able to pay another dividend to the creditors. He feels confident of doing this providing his arrangements are not interfered with by unwise or overeager claimants. Mr. Moore has already paid the creditors 77 per cent of their claims, and the additional payment will come out of an appropriation of \$227,000 he hopes to have inserted by the Senate in the General Deficiency bill in satisfaction of a judgment.

The First National Bank's deposits more than exceed the \$25,000,000 mark, and the business is showing a healthy increase. This has necessitated the improvements now being made at the bank building 315 Chestnut Street, which are progressing satisfactorily.

The success which the Salisbury Steel and Iron Company is meeting in Philadelphia with the sale of its 6 per cent convertible bonds, which were offered within the last week, adds further testimony to the increasing popularity

of guaranteed investments, and to those particularly that are more or less directly identified with the steel industry.

The Salisbury bonds have not been offered in any other market, and it is the opinion of leading brokers, based on the number of inquiries already coming to hand, that the entire issue of \$500,000 will be absorbed by Philadelphia investors.

No little feeling was aroused among Philadelphia bankers over the action of two New York banks entering this market as lenders, offering upward of \$500,000 at one-half of 1 per cent below the 4 per cent rate exacted by local institutions. The Philadelphia representatives of these banks placed the loans and took charge of the collaterals, and in consequence of the cheaper money several banks here had loans paid off. Some plain correspondence has followed reminding New York that it was scarcely in order to have banks there offer funds in this city at figures that hurt local lenders.

In the statements of Philadelphia banks made to the comptroller of the currency, it was brought out that loans expanded over \$10,000,000 and deposits more than \$8,000,000 above the figures of January, 1910. The Girard National showed the largest gain in deposits, namely, \$4,293,291. Despite the low rates for money the local institutions were able to carry over \$3,500,000 to surplus and undivided profit account in the last 13 months. This means that the aggregate of that fund will exceed \$44,900,000, or nearly double the total capitalization. Fourth Street National occupies first place in deposits, Philadelphia following and Girard third.

The local chapter, American Institute of Banking, has completed plans for their annual banquet to be given Saturday, March 18th. Among the speakers will be: Judge E. B. Law of New York, who will respond to the toast, "Dollars and Sense"; Wm. A. Pendergast, Comptroller of New York, and Joseph C. Lincoln, also of New York. The toastmaster will be Wm. A. Law, vice-president of the First National of Philadelphia. Eugene J. Morris, of the Manayunk National, is chairman of the Committee on Arrangements.

CHICAGO WARRANTS TAKEN

Comptroller Wilson has sold \$1,058,000 of Chicago anticipation tax warrants to New York banks. The price paid was par and the interest rate 4 per cent. This is the first actual sale of securities warrants to New York, though the comptroller explained the warrants have been in demand there for two or three years. They bear no definite date of payment.

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CHICAGO

Pittsburgh

The current statement of the Mellon National Bank shows the highest total in all items in the history of this institution. Deposits are \$39,601,000, an increase of \$3,300,000, while its total resources are \$49,987,000 are but a few thousand short of \$50,000,000.

Considerable interest was manifested among local bond dealers in the sale of \$70,000 West Liberty Sub-School District, Pittsburgh, 4½ per cent tax exempt bonds. These bonds are dated March 1, 1911, and mature March 1, 1940, without option of prior payment, both principal and interest being payable at the Marine National Bank, Pittsburgh, Pa. The bidding was spirited, proposals being submitted by J. S. & W. S. Kuhn, Incorporated, Commonwealth Trust Co., Washington Investment Company, Safe Deposit and Trust Company and E. S. Wheeler and Company, of Pittsburgh, and by Lawrence Barnum and Company of New York, the first named being the successful bidder.

The Pittsburgh and Lake Erie Railroad has declared an extra cash dividend of 25 per cent, or \$12.50 on every share, and announced an issue of new stock, which will be sold to stockholders at par, \$50. The new stock will amount to \$4,200,000, and holders will be allowed to subscribe to 20 per cent of their holdings as of record March 17th. The authorized capitalization of the road is \$30,000,000, and the new stock will raise the stock outstanding to \$19,200,000.

At the close of last week the United States was producing pig iron at the rate of about 25-250,000 tons a year, against less than 20,000,000 tons in the closing week of December, a gain of 25 per cent. At the end of December, however, general furnaces were banked on account of their attendant steel works being closed for repairs, and the capacity nominally in blast was about 21,000,000 tons. The actual capacity of the country is about 33,000,000 tons—statements that the capacity is 38,000,000 or 40,000,000 tons being due to a misunderstanding of the data—so that the country is running at 76 per cent of capacity, so far as pig iron is concerned.

A pardon has been granted Harry E. Muehlbrouner, formerly an employee of the Workingman's Savings Bank and Trust Company, of the North Side, who was sentenced to two years in the Alleghany county workhouse on his plea of nolo contendere to a charge of embezzling \$40,000 from the bank.

SAGINAW BANKS CONSOLIDATE

The Saginaw County Savings Bank of Saginaw, Mich., one of the oldest financial institutions in Eastern Michigan, has consolidated with the Bank of Saginaw, giving resources of more than \$0,000,000 and deposits of \$8,000,000. Benton Hanchett is president of the consolidated banks.

How Money is Made in Security Investments

By HENRY HALL

(Late of the New York Tribune)

There is only one way to make money upon stocks and bonds, or, in the vocabulary of the day, in Wall Street. The process is fully set forth, both broadly and with an abundance of detail and illustration, in this book.

Mr. Hall's exposition of the subject is addressed to the actual investor and to the "long pull" trader. Both of these classes of men have in view, first, the safety of their capital; next, the dividend returns on their stocks, while they hold them; and, thirdly, the profits arising from sale of the stocks, on appropriate occasions, and the accumulation of an ever-growing fortune through their operations in securities. Mr. Hall's book is a sound, dispassionate and authoritative guide on these matters, and is the product of many years of close and patient study of financial questions and the methods of Wall Street.

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Their capitalization, condition, recent improvements, resources, future, range of market prices, yield to the investor, etc.

This is a work designed for the Investment Banker and Broker and more especially still, for the general investor himself. It is practical, not theoretical, and presents a comparative and historical analysis of nearly 100 of the important railway companies of America.

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THE CHICAGO BANKER

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Pacific Northwest Banking News

Spokane, March 15.—Sixteen banking institutions in Spokane reported total deposits of \$27,888,370.27 at the close of business on March 7th in response to the call of the comptroller of the currency. The deposits were \$28,860,961.82 on January 7, 1911, and \$33,756,404.88 on March 29, 1910. The decrease is explained by the fact that several large amounts, realized from sales of railroad and city property early in 1910, have since been withdrawn and invested in other enterprises or paid out for labor and supplies. Bankers say it shows too the effect of the move of conservatism which has characterized the action of banks the last year and indicates they have gradually accomplished the objects sought without causing any noticeable effect on the money market.

Loans and discounts are given at \$18,772,921.69, as against \$19,889,239.44 in January, 1911, and \$20,422,936.95 in March, 1910. Cash on hand and in bank was \$10,481,082.54, against \$10,563,631.92 in January, 1911, and \$12,678,863.53 in March, 1910. The surplus and undivided profits amounted to \$1,623,953.90, as against \$1,626,262.59 in January, 1911, and \$1,475,866.16 in March, 1910.

Worthy of note is the fact that most of the banks show a large reserve. The Traders National holds 44 per cent, which is said to be unusually large. Others have reserve in percentage as follows: Fidelity National 41, Exchange National 37, Spokane and Eastern Trust Company 33, Old National 33, Scandinavian-American State 23, Washington Trust Company 32, Northwest Loan and Trust 34, National Bank of Commerce 37, Farmers and Mechanics 38, Union Trust Company 21, Union Park Bank 23. The Bank of Montreal holds 62 per cent.

Trade Improvement

Improvement in trade conditions, accompanied with greater cheerfulness, is apparent on all sides throughout the Spokane country, and local bankers declare the outlook for a prosperous year is bright with every promise of fulfillment. Ample capital is available for the development of business enterprises and banks,

insurance companies and investors in general look with favor upon farm loans. The rapidly enhancing values in inside property in Spokane and the tributary district makes this an ideal field for conservative investments. The stability of the values is practically guaranteed by the enormous expenditures for de-

velopment and betterment, and added to this is increasing production in agriculture, lumbering, mining and horticulture and manufacturing and the steady influx of new capital and desirable population. With the expansion of manufacturing in Spokane this year there is bound to come a greater commerce and larger financial development than ever before in the history of the city.

Miscellaneous News

Spokane and Eastern Trust Company has been named trustee for the holders of first-mortgage bonds of the Wenatchee Valley Gas and Electric Light Company at Wenatchee, Wash. The company recently sold bonds to the amount of \$350,000 of a possible issue of \$2,000,000, in Philadelphia, and the securities are held by the local company representing the purchasers. J. H. Stout, secretary of the Wenatchee Company, was in Spokane a few days ago to have the bonds certified.

John MacGinniss, vice-president of the Silver Bow National Bank and former mayor of Butte, Mont., while in Spokane on March 7th and 8th, to attend directors' meetings of the Interstate Telephone Company and the Western Empire Insurance Company, was a guest of the chamber of commerce the first day. He was accompanied by John F. Davies, counsel, and A. B. Cook, who is building the gap line for the Burlington road at Belt, Mont.

Assessors in Idaho will list property this year at a fair cash value instead of 25, 35 and 40 per cent of the real valuation. This was decided upon by the state board of equalization recently. It was made possible by the legislature adopting a resolution on March 3d, limiting the bonding power of the state. The governor and the attorney have power to remove from office any assessor for failure to perform his duty.

Articles of incorporation for the State Bank of Plummer, Idaho, have been filed at Coeur d'Alene. The institution is incorporated by Lawrence Connolly, lumber man, of Harrison and one of the directors of the Exchange National Bank of Spokane; Edwin T. Coman, president of the Exchange National Bank of



Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequalled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

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**Capital, Surplus and
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J. G. ORCHARD, Cashier	H. G. P. DEANS, Mgr. Foreign Dept.

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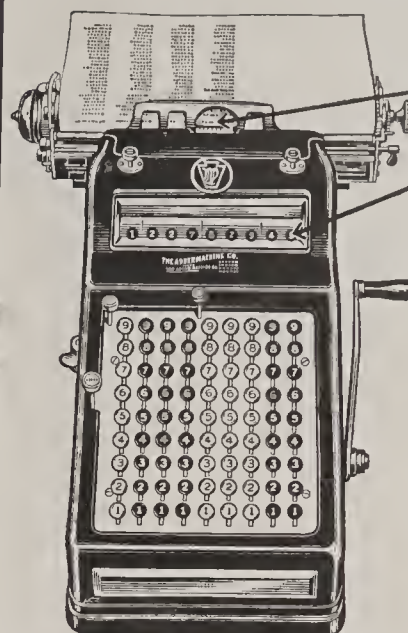
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It is the only machine that is perfectly visible at every operation, showing totals and printing, in the same field of vision.

A glance gives you the number as it prints and the total up to that point. In construction the WALES is superior to all others.

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The WALES is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee when the WALES gives you five times more protection? Ask about our 30-day free trial. Mail the coupon for descriptive literature.

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

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Spokane; Eugene R. Day, acting manager of the Hercules mine; Charles W. Beale, attorney of Wallace, and Joseph J. Kroetch of Coeur d'Alene.

R. Lee Barnes, vice-president of the Farmers Bank at Ellensburg, Wash., announces that work on a \$30,000 building will begin in a short time. The bank will occupy the entire first floor, which is to have two large vaults and mahogany furniture.

E. W. Anderson, formerly cashier of the Lincoln County State Bank of Davenport, Wash., has purchased the stock of F. C. Krause in the Security State Bank of Newport, Wash., and moved to Newport to assume the duties of cashier. The bank has a capital stock of \$25,000 and deposits of \$125,000.

R. H. Downie, for four years clerk of Lincoln county, has been elected assistant cashier of the Davenport National Bank at Davenport, Wash., succeeding E. Imus, recently elected cashier.

NEW BANK AT HUNTINGTON, IND.

The Peoples State Bank, Huntington, Ind., has been incorporated with \$50,000 capital stock, and a substantial surplus. The strongest citizens of Huntington county are identified with it. M. M. Robinson of the firm of Maurice Robinson and Co., bankers, Chicago, is interested in the bank, as is W. Dean Tyrer, of Cleveland.

MR. HAMILL IN CALIFORNIA

President Ernest A. Hamill of Corn Exchange National is at Santa Barbara, California. Vice-President Charles L. Hutchinson is spending a few weeks in Europe.

Seattle

Business in Seattle shows considerable improvement. The sentiment of merchants and bankers is extremely optimistic. Best advices from Alaska indicate that trade with that country will be large during the coming summer. Most merchants are preparing for one of the best seasons ever experienced in Alaska.

Bank clearings are again showing a gain over last year, notwithstanding the dullness of the lumber business which is the backbone of trade in the Northwest.

A feature of business in the Northwest is the heavy demand for flour and wheat from the Orient. February flour exportations from Seattle aggregated 267,000 barrels. The month's shipments were the heaviest of any month since just before the Russo-Japanese war. The flour shipments have shown an increase every month since September. Since the season opened 1,374,000 barrels of flour have been shipped.

Practically all of the Oriental flour business has been done by Puget Sound mills, more frequent callings from this port having done much to build up the flour trade here at the expense of Columbia River millers. It is said that practically all the space on the Oriental boats leaving Puget Sound between now and July 1st has been engaged for flour and wheat shipments.

The consolidation of the Odessa State Bank and the First National Bank of Odessa took place last week, and the Odessa State Bank has moved into the quarters of the First National Bank. The officers of the Union State Bank, for such is the name of the new corporation, are: G. W. Finney, president; W. R. Leslie and J. Kriegler, vice-presidents, and C.

T. Deets, cashier. The Union State Bank has a paid-up capital of \$40,000, and undivided profits of \$10,000.

The local money market is rather tight, although the demand for money is not particularly active. The 1911 canned salmon operations have been financed. Bank deposits are barely holding their own, but bankers always expect deposits to drop at this time of the year.

BANK BURGLARIES IN 1910

The Maryland Casualty Co. has just issued a complete record of the bank burglaries and bank hold-ups that occurred in this country during the year 1910. According to this record there were no less than 143 such crimes last year, resulting in money loss of \$197,347 by burglaries and of \$4,541 by hold-ups, a total of \$201,888. The "Budget" of the Maryland Casualty Co. referring to the figures says: "These figures are as nearly accurate as it is possible to get them in a matter like bank burglary, which those most concerned do not care to advertise. As the list shows, the burglars are active throughout the country, and a noticeable feature of the 1910 raids was the frequency with which automobiles were used in escaping pursuit. Attempted burglaries and hold-ups are included in this list, because an attempt at burglary often destroys valuable bank property."

ANOTHER NEW CHICAGO BANK

Permission to organize the North Shore Trust Company, a new Highland Park financial institution, has been granted to J. Fred McGuire, Arthur O. Bercoe, and Charles A. Wrightman. Capital of \$100,000 was authorized and a ninety-nine year charter granted.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

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Capital - \$300,000.00
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Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

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KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agent for National Banks

In an article on wealthy men who walk to work the Minneapolis Tribune says of George F. Orde, who is vice-president of the First National; and such is fame: "George Orde, cashier of the First National Bank, is an enthusiastic pedestrian. The financier's special stunt is to walk homeward, straight up Lowry Hill without stopping for breath. Often Mr. Orde burdens himself with packages, scorn- ing to leave the health-giving exercise of carrying them home to delivery man or errand boy."

St. Paul has organized an association of commerce. An active membership list of 1,000 is expected before April 1st.

Des Moines, March 16.—Iowa bankers are coming into their own. Reports of the state banking department for condition of the state and savings banks and trust companies on February 8th show that from November 10th the date of the preceding call until February 8th, deposits in these institutions increased \$9,865,494.06. The showing of the Des Moines national banks upon the date of the call of the comptroller for March 7th is taken as a good indication of other national banks in Iowa and is also flattering. The gain in the Des Moines nationals from the call of January 7th to March 7th is \$2,768,000. The gain over the showing at the January call last year is \$2,363,000. The combined deposits on January 30, 1910 were \$14,852,000 as against \$17,215,000 March 7th this year.

The net increase in the deposits for all the state, savings and trust companies of the state from February 10, 1910 to February 8, 1911 was \$5,967,714.19. The increase in the number of banks during the year was 40 while there were eight new institutions launched between the date of the November and February calls. The decrease in overdrafts between the two calls was \$376,080.73. The average reserve in all banks February 8, 1911 was 20.5 per cent.

Hear President Gurney

E. R. Gurney, president of the First National at Fremont, Neb., addressed the Des Moines Bankers Club at their regular monthly meeting at the Savery last week. "And he called upon them to pay up," was announced by Mr. Gurney as his text. Mr. Gurney thereupon preached a sermon on banking methods declaring that his text was taking from the thirteenth verse of the twenty-third chapter of the book of Hard Knocks. He declared that banking methods are not perfect to-day but showed how much better they are than ever before. Thus he drew a picture of what may be expected in the future.

Arrange for State Meeting

The state convention of the Iowa Bankers Association will be held at Mason City June 14th and 15th. This was the date decided upon at the meeting of the executive council of the I. B. A. at Mason City last week. Secretary Hall of the association was instructed to begin preparation for the program. It is expected that Frank Watts, president of the American Bankers Association will be one of the speakers. Secretary Hall has also written to Prof. Lawrence Laughlin of the University of Chicago and it is expected that he will deliver an address. Vice-President G. E. MacKinnon and former President Lee Stevens accompanied Mr. Hall to the Mason City conference. It is improbable that the executive council will be called together again prior to the state convention.

Penfield's Tangle

Another chapter has been written in the case of President E. J. Penfield, now missing, and the defunct Bank of Kelley. B. H. Gavitt has filed a petition to have an injunction dissolved which restrains him from disposing of a certificate of deposit for \$1,000 which he accepted from Penfield in payment of a note which he says the banker had given him. The Central State of Des Moines secured the injunction. Gavitt alleges in his petition that he

was told by the Central State that the certificate was good. Thereupon he took it over to the Century Savings which declined to make it good. He says he then went back to the Central State and was informed that the Century Savings had given him correct information and that the certificate was issued on a draft that had been discovered to be bogus. Gavitt demands judgment from the Central State for the amount of the bogus certificate.

Counterfeiters Taken

Officers from Savanna, Ill., took a little jaunt over into Iowa and apprehended four men near Sabula who were manufacturing counterfeit nickels. The officers found a quantity of the nickels hidden in the stump of a tree and confiscated a complete counterfeiters' outfit. The men arrested were John Carr, his two sons Benjamin and Eleny and a shoe string vender named Howard. Howard gave the tip which led to the raid when he was discovered with an unseemly number of the bogus nickels in his pocket.

Retires from Banking

Alonzo J. Barkley, who has retired from the Boone County Bank at Boone with which he was connected for twenty-seven years, is one of the well known pioneer bankers of Iowa. Mr. Barkley helped organize the institution in 1884. For the past twenty-two years he has been president. He recently sold his interest and has retired. Barkley served in the Civil War and was wounded in the shoulder. He was ten weeks in a Confederate prison. He has been active in politics and was representative in two Iowa legislatures.

Defeat Obnoxious Bill

Once more the bankers of the state have defeated the bill to abolish the office of school treasurer. The Iowa senate voted down the bill after a debate that consumed some little time. This measure comes up with each session of the legislature and each time it fails to emerge. Bankers oppose the bill because bankers are holding the office in most of the school districts of the state and they are successful in showing that they are in better condition to handle the funds than the county treasurers who are the interested backers of the bill each session.

Becomes Bank Examiner

Ellis D. Robb of Eldora has been made national bank examiner by Comptroller Murray and will succeed Examiner Jones of Algona who resigned recently. Mr. Robb was informed of his appointment upon his return from Washington where he successfully passed an examination. At one time, he was state bank examiner when B. F. Carroll was auditor but resigned because of business affairs that required his attention. There is still a vacancy to be filled in northwest Iowa where John Large resigned some time ago.

The lower house of the Iowa legislature has passed one of Representative Moore's bills relating to the publication of quarterly statements and providing for five yearly bank calls instead of four as at present. The section relating to the publication provides as follows: "The statement published in the newspapers shall not contain the name of the bank or banks in which the bank making the statement has on deposit funds subject to be drawn at sight

nor shall said statement show the amount of liabilities due such bank on the part of the directors thereof." The bill does not exempt the banks from reporting to the state auditor the indebtedness of the officers and directors of the bank to the bank.

Two important bank bills have been introduced in the senate. The ways and means committee introduced a measure wiping out the present law taxing moneys and credits and establishing instead a flat rate of five mills. Senator Savage, an Adair banker, presented a bill enlarging the powers and duties of a trust company and providing that such companies shall serve as executors and administrators of estates or as guardians or trustees.

General Iowa Notes

Cashier Nelson of the Madison County Bank of Winterset and Miss Nell Whedon were married at the home of the bride in Winterset last week. The bride is the daughter of Mrs. W. S. Whedon, state president of the Iowa Women's Relief Corps.

P. J. Cilley has resigned as assistant cashier of the Citizens National at Spencer to become cashier of the Farmers at Hamburg.

The directors of the Farmers Savings at Roland have voted to convert the \$10,000 surplus of the institution into capital stock. The institution has earned surplus and profits in excess of 50 per cent of its capital stock.

George Leopold, who purported to be an editor, took charge of the Demokrat, a German newspaper, forged the name of the owner of the paper to several checks, and decamped.

L. E. Stevens, president of the Century Savings, has purchased "The Boulders" a beautiful five acre tract in northwest Des Moines and will erect there a \$10,000 residence for his father, W. H. Stevens of Ottumwa.

R. H. MacCartney, formerly well known in Des Moines has been advanced to the cashier-ship of the Security National at Cheney, Wash. Word has reached Des Moines that he has been instrumental to a large extent in the successful growth of the institution.

C. H. Martin, president of the People's Savings has been in New York and other eastern points on business.

Among the out of the city bankers in Des Moines recently were President W. C. Ralston and Cashier Geo. Schneider, both of the Bank of Pocahontas; Cashier R. C. Lilley, National of St. Paul; Cashier J. H. McCord, Citizens National of Spencer; Cashier T. R. Watts, Bank of Grand Junction; President O. J. Kalsen, Huxley Bank; Vice-President R. C. Head, National of Jefferson; President J. H. Roberts, State of Boxholm; Cashier F. L. Busch, First National, Kanawha; Cashier Charles St. Clair, First National, Marshalltown; Cashier J. H. Heuss, Scott County Savings, Davenport; President J. H. Ingwersen, People's Savings, Clinton; Assistant Cashier P. J. Leeman, First National, Minneapolis; Cashier Bert Teale, Iowa State, Mount Ayr; President J. Despres, Farmers of Alta; President J. J. O'Malley, Bayard Savings; President J. P. O'Malley, People's Savings of Perry; Cashier O. M. Thatcher, Luther Savings; President John Wilson, Banker of Reinbeck; Cashier J. H. Van Scoy, Bank of Rippey; President W. C. Berman, Newton Bank.

Aubrey Reynolds, son of President M. M. Reynolds of the Guthrie County Bank has been made assistant cashier of the Des Moines National. Mr. Reynolds is a nephew of George M. Reynolds of the Continental-Commercial of Chicago and of Arthur Reynolds, president of the Des Moines National.

Uninterrupted Service

From Pass Book to Collection Letter

The drudgery work can be done by machine, and old-fashioned hand methods in figures are positively a waste of money. Every detail of your work—every operation which you do—can be improved wonderfully with the use of a Burroughs Bookkeeping Machine. It will enable you to strike off balances of pass books, savings ledgers and cash in but a small fraction of the time formerly consumed in the same operations. With the Burroughs Bookkeeping Machine you can figure interest, take off depositors' statements and make up collection or remittance letters quicker, *because right the first time.*

When you place a Burroughs in your bank you acquire the greatest business helper of the age. But you also get with it Burroughs Service—that insures the greatest use possible from the machine.

Now think how Burroughs Service is managed; how it is divided into three distinct divisions in order that your bank may derive the fullest benefit from its purchase:

BURROUGHS SYSTEMS SERVICE—which is the gathering together of the very best ideas of the 110,000 Burroughs users; the improving and simplifying of them and placing them in form for presentation to you from time to time as suited to your needs.

BURROUGHS INSPECTION SERVICE—which is a careful and systematic method of keeping the machine itself in order. Not only that, but a new machine is furnished free, if any accident should happen—so that there is never a moment when you need be at a standstill.

BURROUGHS INVENTION SERVICE—which employs a corps of expert inventors and mechanics who are constantly at work endeavoring to make more widely useful machines—that will cover some extra phase of your work never before covered.

Thus, you see, we're not merely looking to sell you a machine, but we want more than anything else to have you *over-satisfied with your bargain*—because that's the best kind of advertising we know.

Sign this coupon and mail it to us today. You owe it to yourself and your bank that you know this proposition.

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European Headquarters: 76 Cannon St., London, E. C., England

Form 1295A

Roster 2212

Burroughs Special Service Coupon

Gentlemen: Please give us the following Burroughs service, at no cost to us:

1. Send us your folder, "Ten Different Ways of Saving Money in Any Bank."
2. Send us your new booklet, "A System of Handling Transit Items."
3. Send us full-sized forms showing use of Burroughs on the following work:

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Position _____

Bank _____

City _____

State _____

TROUBLE ABOUT AN OVERDRAFT

There is considerable interest in Coraopolis, a suburb of Pittsburgh, regarding an alleged overdraft made by a woman depositor of the Coraopolis National Bank, of Coraopolis, a suit instituted by the woman, and a statement issued by the bank's attorney. Mary Edna McKechnie, of New Sheffield, on February 10th, filed a suit against the bank, alleging that she had deposited \$6,655, for which she had not been given credit. An investigation followed, in which it appeared that the cashier had permitted her to overdraw her account to the extent of \$1,705. Cashier J. W. Heck made good the overdraft, and was suspended pending the suit. The bank states that the claim is unfounded.

BANK PENSION ESTABLISHED AT MINNEAPOLIS

At the beginning of the present year the Northwestern National Bank and the Minnesota Loan and Trust Company, of Minneapolis, joined with their officers and employees in the establishment of a fund to be known as The Northwestern National Bank Pension Fund.

The fund consists of contributions made by the members (the amount being a small percentage of each member's yearly salary), and contributions from the bank and trust company, the amounts of which bear a definite relation to the amounts paid by the members.

The moneys contributed are in the care of a board of trustees who have charge of their investment and proper application to the uses for which the pension fund was founded. These uses are, in brief, to care for officers or employees of either institutions in case of disability or accident, to relieve the necessities of their dependents in case of death, and to provide an old age annuity for those who have given their lives to the service and who may retire in security when too old.

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SPECTACLES AND EYE GLASSES SCIENTIFICALLY FITTED AND ADJUSTED
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BANKING BY MACHINERY

The Northwestern National bank letter for March has an interesting article on the modern way of "banking by machinery." Each year that passes says the letter is marked by the introduction of new forms of machinery to help the banker. Within the memory of even the youngest banker the use of modern machinery has lifted a tremendous mass of drudgery from the shoulders of the bank man. The criticism has been made that the boy who begins at the bottom with the modern bank does not learn to write or add. The force of this criticism is lessened directly as the need for hand work becomes less; and as a clerk escapes the drudgery of slow penmanship and arduous casting up of long columns of figures he is able to devote his abilities to more important matters not yet capable of being "run by machinery."

The experience of the Northwestern National Bank in this matter of mechanical helps is significant. Twelve years ago two adding machines, one telephone, one addressograph, a typewriter, and some obsolete money trays, a wash tub and wringer for copying letters, and a broken down pump for cancelling checks, comprised the bank's office appliances, which were fully up to the average standard of equipment of that day.

To-day over thirty adding machines are in use. An improved electrically operated addressing machine, with a complete outfit for making address dies and indexed card system, enables two clerks to furnish the addresses for over seventy thousand pieces of mail each month. This machine is also useful for heading statements, printing stockholders' lists, furnishing selected groups of addresses for the advertising department, etc. Three boys who used to operate the wringer and tub have been promoted to loftier employment by the introduction of a carbon system of copying correspondence and a like number who used to lick stamps and envelope flaps now see one sealing machine performing the last rite over all the outgoing mail as fast as one boy can feed it.

At the same time that machine operations increase the efficiency of the higher grades of bank clerks making them worth more money to their institutions by relieving them of hand work, and by giving them more time for headwork, the machines may be operated by employees whose salaries are less than it would be necessary to pay to persons capable of doing by hand the work of the machines.

It is hard to forecast with any certainty the mechanical possibilities of the future, but it would seem that signing his name for identification purposes is almost the only physical act of a banker or his customer which is beyond the reach of mechanics.

The whole transit business of the country bids fair to be handled by machine work as soon as the various bankers associations and their committees agree upon a satisfactory system of clearing house numbers for the banks in all the principal cities. Already machines are in operation furnishing printed statements with balances extended, and apparently the next sweeping improvement will be machine-operated ledgers. The whole situation of banking mechanics is one of peculiar satisfaction because there seems to be financial profit for every one concerned, including the machine man.

GARY ON RATE DECISION

Returning from Cuba, E. H. Gary, chairman of the United States Steel Corporation, a few days ago said: "It is my opinion that if the rate decision has had a depressing effect upon business conditions it will be temporary. From my information, it seems to me that business conditions are generally and materi-

ally improving. If this continues, as now seems probable, it necessarily follows that business of railroads will increase correspondingly, and in order to take care of their interests they must put and keep their tracks in good condition and largely increase their equipment. The different lines of business of the country are more or less tied together. It is time for all of us to take things as we find them and make the best of them. In such a country as this, where productive capacity is so great and increasing so rapidly, we shall find great opportunities for success.

"From present indications, new steel bookings will average between 35,000 and 40,000 tons a day, which marks a substantial improvement over average daily orders in January." The trouble with the country, Gary added, was politics. "But every one realizes that it is impossible to get rid of politics," he observed, "and therefore the only thing to do is to make the best of it."

HIGH PRICES FOR RARE COINS

One of the record premiums for coins paid in 1910 was \$800 for a five dollar gold-piece made by the assayer Christopher Bechtler, who for at least twenty years conducted a private mint in Rutherford county, North Carolina. The price is all the more remarkable when it is considered that thirty years ago such coins were not even worth their stamped value.

It is its unique design that gives this coin its high value. It is thought to have been the first coin of the denomination made at the assayer's office. It is a good deal larger than the regular United States five dollar gold-piece and does not at all resemble it in design.

On the obverse, around the border, is inscribed, "C. Bechtler, Assayer." In the center of the field, in the form of a circle, are the words "Rutherford County." The reverse contains the inscription, in three lines, in the field, "5 Dollars, 20 Carats," while around the border is "North Carolina Gold."

The weight of the coin is 145 grains, although the five dollar piece of the United States of the period weighed only 135 grains, but the government's coin was of much greater fineness, and it is probable that the Bechtler coin had a value not in excess of \$4.90, as the gold of which it is composed was strongly alloyed with silver.

This coin came to the notice of collectors for the first time last year and was regarded as the best preserved example of the Bechtler coinage known; it is also the only coin of the variety known. The design is similar to that of the other very rare Bechtler five dollar gold-piece; in fact, the new variety differs from it only in the omission of the inscription "150 Grs," which appears just below the line "20 Carats." The coin containing the weight in grains has a premium record of \$785, but there are at least fifteen specimens known.

Among other finds made by coin collectors in 1910 was still one more specimen of the tiny silver half dime of 1802, which date is by far the rarest and highest in price of any coin of the denomination. All the 1802 half dimes are held at a high premium, while an unusually fine specimen brings an extraordinary sum.

BECOMES NATIONAL BANK

That it is the ultimate intention of the Corn Exchange Bank of New York to enter the national system as soon as the Aldrich plan is adopted, is the statement that was made by William A. Nash, chairman of the board, at an informal dinner last week, given to a number of bankers, at which Mr. Nash was the guest of honor. Mr. Nash declared that the Aldrich plan would make it feasible for the bank to carry the large number of branches which it has at the present time.

PROGRESS OF THE SOUTHWEST

San Antonio, Texas, March 15.—A hopeful spirit as the result of recent rains pervades all parts of southwest Texas and agricultural efforts are more active than they have been for some time. This hopefulness is not confined entirely to farming endeavors, but in a number of instances work of building cotton gins has been begun, those promoting the effort finding little difficulty in securing means to carry the work forward. Some time ago such work as this would not have been possible on account of unpromising conditions.

For the past month midwinter shipments of vegetables have been going on and this has brought a cash return that is serving to put agricultural interests in an easy condition. Of course there is a call for money with which to forward crop work, as is always the case at the beginning of the planting season, and while in some instances there has been an earlier call for this than usual, this is largely due to seasonable conditions making it possible for the farmer to begin his work earlier.

The last report by the banks of this city showed an increase in deposits and reserve fund. While the clearing house in this city does not give out a report, following the usage of many cities of this state and the country at large, it is known that the volume of business is satisfactory and constantly increasing.

For some time an effort has been on to build a railroad from this city to the Brownsville country and at a meeting Monday night it was announced by the committee having this work in hand that subscriptions to the primary fund, which will be used by a construction company, have been very liberal and obtained with little effort, more than \$200,000 of the required half million has been guaranteed, and it was said little difficulty will be encountered in securing the balance of the initial fund. The manner with which men of means interested in the growth of this city and the country south have taken in hand the financing of the effort gives a very accurate notion of financial conditions here at present, and also that those who have a line on prospects of the future have implicit confidence in the stability both of the present and that to come.

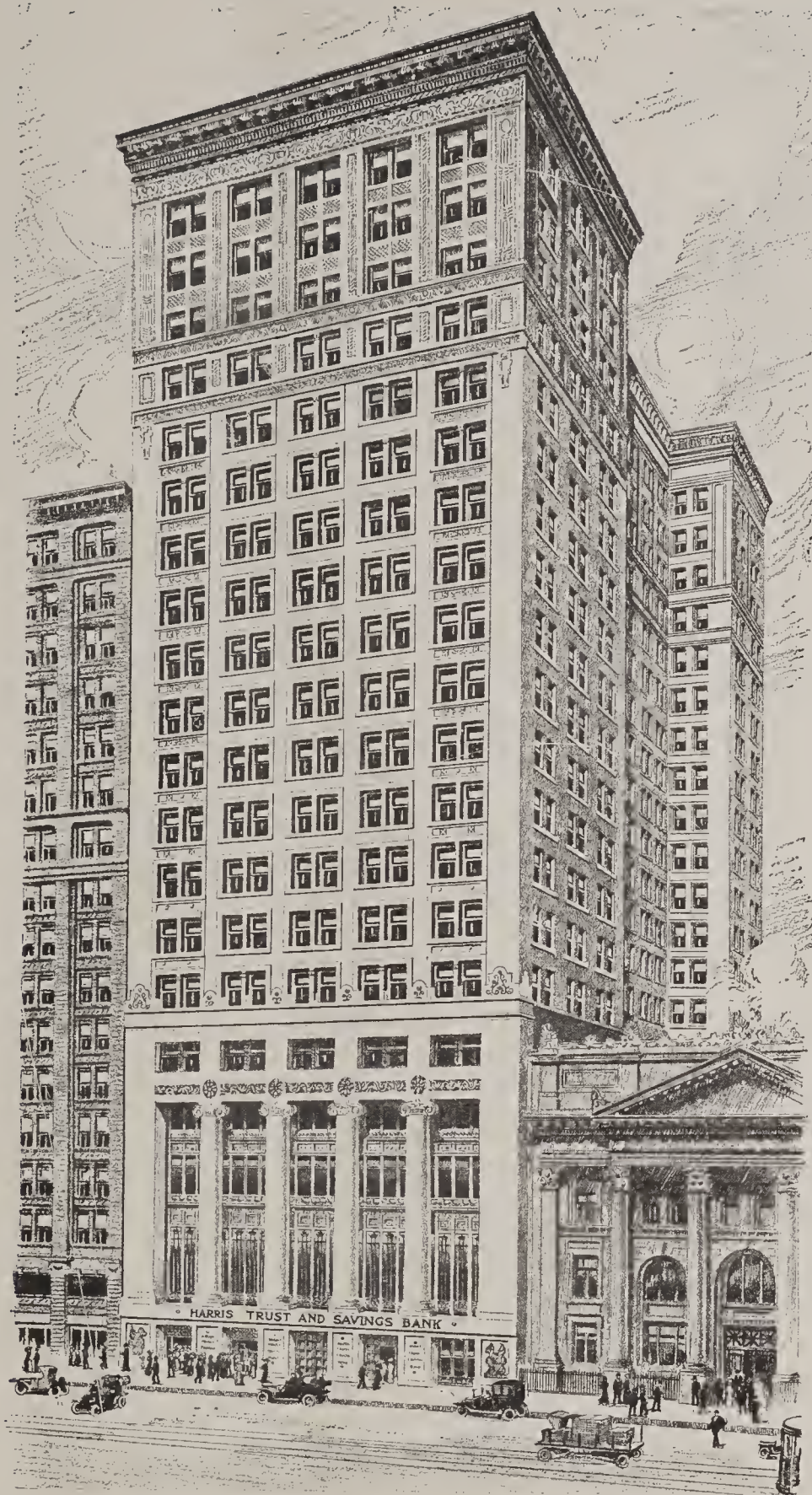
WYOMING BANK LEGISLATION

The Wyoming Bankers Association announces that the legislature of that state has passed the following bills recommended to that body by the executive committee of the association, namely:

An act providing that chattel mortgages may be recorded, prescribing a form of mortgage, and fixing a uniform fee of one dollar for the service where the form agrees generally with the act. An act providing for the payment of deposits in trust. An act providing for the payment of the deposits where the same appear in two names. An act relating to derogatory statements affecting banks. An act exempting mortgages and the debt thereby secured from taxation. The bill relating to false statements to obtain credit failed to pass.

A bill was introduced in and passed by the senate exempting mortgages and moneys and credits from taxation but there were some grounds for believing this measure would not be favorably considered in the house. Subsequent action on the part of the house confirmed this judgment. In the meantime the association caused to be prepared and introduced in the house, a bill exempting mortgages and the debt thereby secured from taxation. This bill was passed by the house and likewise by the senate, and is a law.

James H. White, president of the First National Bank of Manchester, Ky., committed suicide last week by drinking carbolic acid.



Special Banking Services

THIS bank makes a specialty of handling inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment or circulation purposes. During the past twenty-eight years its officers and directors selected and purchased, after careful investigations, over **one thousand million dollars** of bonds, which have been sold to a constantly growing list of conservative clients. In buying bonds of this institution the investor secures the benefit of the extensive experience and trained judgment gained through the selection of this large amount of safe investment. The special character of our business permits of liberal interest terms on inactive or reserve accounts of banks, bankers, corporations, firms and individuals.

Harris Trust and Savings Bank

ORGANIZED AS N. W. HARRIS & CO. 1882. INCORPORATED 1907

CHICAGO

Favors Publicity

Atlanta, Ga., March 15.—At the Southern commercial congress last week, George W. Perkins of New York delivered the speech that attracted probably the most attention. He spoke on "Modern Industrialism," and in the course of his address strongly advocated publicity by business concerns.

"More and more is public opinion demanding full, open and honest accounting from business concerns," said Mr. Perkins, "and the more far-sighted business concerns that adopted such methods a few years ago are having less trouble with their labor and the public than other concerns, because both their labor and the public know what the profits of the business are and what percentage its labor is receiving in wages.

"And in connection with the relations of business to the government, I believe that publicity, full and frank, will go a very long way toward correcting any evils that exist and preventing any that may threaten.

"Each day it becomes more and more apparent that all questions in this country must be settled at the bar of public opinion.

"If our laws regulating large business concerns provide for proper and complete publicity, so that the labor of a concern would know what was being done, so that governmental authorities would know what was being done, so that stockholders would know what was being done, and the public, which was being served, would know what was being done, many of our present difficulties would disappear; and in place of this being an element of weakness to any given business concern, it would be an element of strength, for, under such conditions, a set of men operating a given business, if they were able enough mentally to be successful managers, would soon come to realize that they could only succeed by being fair to one and all.

"I believe, further, that there is more safety to the public and to labor in having very large business enterprises than in having small or medium-sized ones, for the larger the undertaking is the more generally it is observed and the more thoroughly its affairs are scrutinized. Then, too, the large concern provides more steady employment for labor and minimizes to almost nothing the chance of financial collapse and failure."

HEARINGS ON ALDRICH PLAN

Washington, March 14.—The national monetary commission will give hearings on Aldrich's plan for currency reform. This was decided at a meeting of that body. It is expected that the executive committee of the American Bankers Association will be heard in about 10 days, and that thereafter there will be a series of hearings for educational purposes.

It may be that some of the hearings, for purposes of convenience, may be held in commercial centers of the West.

Following the announcement that the President had signed the new Panama bond bill, which exempts these bonds from use as security for national bank circulation, and that \$25,000,000 to \$50,000,000 of the new Panama 3 per cent bonds will soon be issued, it was learned that the St. Louis Southwestern Railway Co. has sold \$800,000 Central Arkansas & Eastern Railway first mortgage 30-year 5 per cent bonds and that the Kansas City, Fort Scott & Memphis Railway Co. has sold an issue of \$2,700,000 refunding 4 per cent bonds.

William M. Gilbert, of Neenah, a wealthy banker, was married recently to Mrs. Mary Felker Cameron, of Oshkosh.

The expected pardon for John R. Walsh has not been issued.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Miscellaneous

For Sale. Two safe deposit vaults. One medium size, suitable for banks, also one large vault with two entrances. Also two bank chests. For particulars, address, Max Schubert, 757 Washington Avenue, No., Minneapolis, Minn.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/4 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163. Chicago Banker.

Business Opportunities

Wanted. Young man to become financially interested, and take the cashiership in a new bank about to be organized. Write J. M. Dale, Moline, Illinois.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.

Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

At a recent meeting of the board of directors of the Bank of Oconomowoc, B. G. Edgerton, who has held the position of director and cashier at the bank for a number of years, was made second vice-president and managing director. Paul R. McKee of the Farmers State Bank of Sullivan was appointed cashier and will take up his new duties about April 1st. Otto C. Peters, present assistant cashier at the Bank of Oconomowoc, will resign from that position and will no longer be connected with the bank.

Citizens State Bank of Julietta, Idaho, has taken possession of its new building, recently finished at a cost of \$5,000. The officers are: President, Charles Hill; vice-president, C. E. Carlson; cashier, F. F. McGuire, and assistant cashier, F. M. Talbott.

Department of New Business

Madison, Ala.—The Madison Loan and Trust Company has filed articles of organization with a capital of \$10,000. C. C. Green is president and T. G. Riddle, secretary and treasurer.

Readyville, Tenn.—A new bank is to be organized at this place. J. D. Carter is president, W. F. Dickson, vice-president and Harry Carter, cashier.

Memphis, Tenn.—The Hurst Trust Company is the title of a new enterprise with a capital of \$50,000. Henry Hurst is president, W. W. Farris, secretary and treasurer.

Greenville, Tex.—A new state bank is to be organized here. W. Williams is one of the prime movers.

Huntington, Ind.—L. M. Robinson and D. W. Zintmaster are promoting a new bank at this place.

El Paso, Tex.—A new state bank and trust company is being organized with a capital of \$300,000. E. Moyer is prime mover.

Sacred Heart, Minn.—A new bank has been started here. Those interested are Messrs. Pearce and Day, of Mora, Minn.

Franklinton, Ky.—A new bank has been formed here, capitalized at \$15,000. Harvey Jones is president, John Bryant, vice-president and J. N. Kempner cashier.

Edon, Ohio.—The Edon State Bank is the title of a new institution with a capital of \$25,000. C. A. Bowersox, Z. Lees, Martha E. Carvin, S. B. Walters and E. F. Brandon are promoters.

Cortland, Ohio.—The Cortland Savings and Banking Company has filed articles of organization with a capital of \$35,000. F. N. Griffing, F. N. Kisner, J. M. Dunbar, N. M. Richards and others are promoters.

Marmaduke, Ark.—A new bank is to be organized at this place with a capital of \$25,000. Eli Meiser, of Paragould, was elected president and Wiley Lipscomb, of Marmaduke, was chosen as cashier. The company has already bought a site and has the material on the ground for the erection of a modern bank building.

Hillsboro, Ala.—The Tennessee Valley Bank, of which S. S. Broadus is president, has established a new bank at this place.

Hammond, Ind.—A new national bank is to be organized at this place with a capital of \$100,000. Oscar Krimbill will be president.

Walla Walla, Wash.—The Farmers Union is considering the establishment of a bank in this place.

Lyle, Wash.—The First Bank of Lyle is being organized here. Promoters, C. F. Hendrickson, Sylvester Peterson and Arthur Eckern of Seattle, and C. R. Sterberg of Buckley, Wash.

Medford, Minn.—A state bank is being organized. H. A. Warner, of White Bear Lake, is the promoter.

Valdus, Wis.—The Valdus State Bank has been chartered with a capital of \$10,000. Otto G. Bengel, S. Thompson and others are promoters.

Wessington Springs, S. D.—The Farmers State and Savings Bank has filed articles of organization with a capital of \$30,000. H. R. Kibbee is president, H. C. Edmunds and C. L.

H. Hoyde, vice-presidents, D. C. Wallace, cashier and S. W. Wright, assistant cashier.

Warwood, W. Va.—Carl Ebberts, of Loveland, is interested in the organization of a new bank at this place.

Washburn, Mo.—A new state bank has been organized at this place with a capital of \$10,000. G. E. Paul, of Springfield, is one of the prime movers.

Inland, Neb.—The Farmers State Bank has been organized with a capital of \$20,000. C. E. Sanderson, of Lincoln, will be president.

Kelley, Iowa.—The Citizens Savings Bank is the title of the new enterprise with a capital of \$10,000. Wm. Greeley, C. L. Giberly, E. W. Stanton, Geo. Judisch, W. A. Gossard and others of Ames, Iowa.

Boone, Iowa.—The State Bank of Boone has been incorporated with a capital of \$50,000. B. P. Holst, G. H. Stranger, Duncan Grant and others are promoters.

Milton Jct., Wis.—The Farmers Bank is being organized here. Capital, \$25,000. Promoters, John A. Paul, John H. Owen and Alexander M. Paul.

Superior, Wis.—A new trust company is being organized. H. S. Swanberg, of Minneapolis, is the promoter.

Troy, Mont.—H. K. Lyford, of Northwood, Iowa, is considering starting a bank.

Elwell, Mich.—A new bank is to be organized at this place. Messrs. Ely, Slocum and Hudson are promoting the institution.

Landis, N. C.—A new bank is to be organized at this place.

Memphis, Tenn.—The Exchange Bank and Trust Company has filed articles of organization. Capital, \$25,000. Promoters, D. O. Wheeler, J. B. Sloan, Jr., and E. C. Newman.

Monroe, N. C.—The Farmers and Merchants Bank has been organized here. Capital, \$50,000. M. K. Lee, president; D. A. Houston and J. L. Everett, vice-presidents.

St. George, S. C.—The Industrial Trust Company has been granted a charter. R. J. Mabone, W. P. Shuler and W. S. Utsey and others are interested.

Timson, Tex.—The First State Bank has been organized with a capital of \$10,000. A Knight will be cashier.

SEEKS FOREIGN BOND MARKET

New York, March 14.—Comptroller Prendergast has sent to Albany a bill permitting the city to sell city bonds abroad. Although the details have not been worked out, it is understood that Mr. Prendergast's plan is to arrange that when there is a sale of bonds here bids shall be opened on the same day in London, Paris and Berlin. At present foreign investors bid through fiscal agents in this city. Another bill that the comptroller has drawn authorizes the sale of short time notes in anticipation of sales of corporate stock.

It is the opinion of the comptroller that the passage of these two bills, as well as the passage of his bill for the semiannual collection of taxes, should tend to advance the price of city bonds. This opinion is based upon his belief that owing to the flexibility which will come from the issue of short time notes he will not be forced into an unfavorable market, but will be enabled to take advantage of the best conditions for a bond sale.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

in the case is quite beyond my comprehension. Didn't he confess to having misapplied the bank's funds, didn't he knowingly speculate with funds entrusted to his care for safe keeping? He said he did. Didn't he lose them? He said he did. Why under heaven shouldn't he have been punished for thus violating his trust? The fact that he and his family stood high in public esteem is but added reason why punishment should have been swift and severe. He knew better, he may not have planned deliberately to do it, yet he did it. That is the point, and he has received merited punishment. Now why should you of all men, why should THE CHICAGO BANKER of all papers, ask mitigation of punishment? Your remark about his family and friends reminds one of certain other remarks made by a certain United States senator recently. They are to my mind entirely foreign to the case. Innocent sufferers there must be always when men go wrong, but will it make fewer of them to condone and cover up wrong doing?

I CANNOT but feel that you are wrong. Dishonesty is rampant to an extent which is well nigh demoralizing. No odds whom, or where, or why, dishonesty is dishonesty, nothing more, nothing less. Bankers and bankers papers should be the last to advocate leniency towards dishonest bankers. Let us try to raise rather than lower the standard amongst ourselves. We can do more than anybody else in that line, and are blameworthy if we do not take the initiative in every case and follow it to the end. I am sorry you said what you did."

SPECIAL pleas generally are one sided. We admit all that Mr. Bigelow admitted and most of what our correspondent says. But the big, powerful organization erred when it robbed Mr. Bigelow and his family of honors it had bestowed upon them. It didn't even ask his consent.

IT isn't the business of any particular set of men to assume and bolster up false records as a preachment of honesty in banking. There are other kinds of honesty. Altering a public record isn't one of them. The big A. B. A. doesn't need to hoist up its reputation by altering its records. Altering the books of a bank is a crime but it may cause less suffering and injustice than altering the public records of "the biggest association on earth," as one speaker described it at Los Angeles.

HANOVER NATIONAL, New York, shows how it pays to go after bankers' balances. Its individual deposits are \$27,486,770.26 while it has from national banks \$34,357,551.33. It carries deposits of state banks and banks \$12,685,008.84 and of trust companies and savings banks \$18,043,525.30. Total due other banks \$65,086,085.47. But few other banks can equal this showing.

JAMES M. DONALD (known to thousands of bankers as "Jim" Donald) was for years a conspicuous convention attendant and a power in A. B. A. circles. He was a bank builder of undoubted genius. Not long after THE CHICAGO BANKER began publishing bankers' portraits Mr. Donald started a scrap book. Every one of our thousands of faces were pasted up, and indexed.

WHEN Mr. Donald learned that an Iowa, Wisconsin or other western state banker was in New York he took out his scrap book and posted up. When Mr. Banker hove in sight he promptly was called by name. His fellow officials were inquired for by name and other bankers in the same town as well.

Mr. Donald often said it was the hit of his life in creating and cementing friendships.

Yes, there are others but they still are at it and "we shan't tell." Mr. Donald now is chairman of the board and William Woodward is president of the Hanover. Some say that Alex. Campbell has fallen heir to the scrap book, but he probably knows most of them without looking them up.

DIAMOND NATIONAL, Pittsburgh, has five and one half millions in deposits and the Diamond Savings one and a quarter millions. William Price is president of both banks. D. C. Wills, chapter enthusiast, is cashier of the national, and L. E. Heusman of the savings bank.

NATIONAL BANK OF COMMERCE, Kansas City, reports twenty-two and a half millions. Cashier Jas T. Bradley is reported as having fully "made good."

HERE is a too common swindle reported from Washington. We quote a look out notice from Secretary Kauffman: "Under name of Henry Clay, a party agreed to buy a \$5,000 interest in a laundry at Hoquiam, and talked of other investments. Borrowed \$25 from one of the owners and had him endorse a draft, dated February 5, 1911, for \$150, drawn by Henry Clay on W. L. Moody and Co., bankers, Galveston, Texas, which was returned marked 'No such account on our books.'"

PROBABLY this scamp now is going under the name of some other of our country's great men, but the plan is just the same. By agreeing to buy for \$5,000 something for which the seller would be glad to get three, he is enabled to get the necessary cash to keep up appearances and to reach the next town.

MARCH 18th will be view day at the new building of the Old National of Oshkosh, Wis. It is located at the corner of Main and Washington and one of the best in the state.

"A MILLION DOLLAR BANK" is the proud top line on the First National folder from Sheldon, Ia. It has been a regular dividend payer for twenty-three years. Frank, Fred, and J. E. Frisbee are three out of the five directors. F. W. Bloxham is cashier.

AT the annual meeting of the Illinois Fraternal Congress held in this city W. G. Edens, assistant secretary of the Central Trust, was elected a member of the executive committee, representing the Knights of Pythias. This congress endorsed the "Mobile Bill" and will urge its passage by the Illinois legislature. It provides state supervision and examination of fraternal beneficiary societies (but doesn't include private banks?).

"HAVING large resources, conservative management, and a representative board of directors, and being equipped with unexcelled facilities for the transaction of all branches of legitimate banking, the First Bank and Trust Company, Cairo, Illinois, solicits the accounts of individuals, firms and corporations as well as out of town banks, promising the utmost liberality of treatment consistent with prudent business methods. Inquiry is invited."

E. R. FANCHER'S bank, the Union National of Cleveland, aims to be a commercial bank and has deposits of over thirteen millions. Geo. H. Worthington is president, G. A. Coulton cashier. Mr. Fancher is the (very) active vice-president.

CENTRAL NATIONAL BANK of Buffalo, was organized five years ago with a capital of \$200,000, which remains the same, and with no surplus. It has accumulated an earned surplus of \$100,000 and fixed the quarterly dividend rate for 1911 at 8 per cent per annum, 1910 having paid 7 per cent, 1909 6 per cent, 1908 5 per cent, 1907 4 per cent, the

first year paying no dividend. Deposits are one and three quarter millions.

A MERICAN TRUST, St. Louis, has twenty-five directors and solicits accounts of banks, trust companies, etc. The deposits are over three millions.

A RTHUR REYNOLDS' Des Moines National reports five and one half millions in deposits. CASHIER.

ELEVATED RAILWAY DEAL

It seems probable that within the next two weeks the directors of the different elevated railroads in Chicago, and through them the stockholders, will make an alternate offer of cash or securities for the several properties. Despite the fact that the eastern banking interests had it suggested to them that the Blair offer of last summer was too high, there is reason to believe that Henry Blair does not intend to minimize in any way the cash terms which were then agreed upon.

If the deal is to be carried out it is to be done on the advantageous terms, if such they were, that were originally proposed and agreed to by the boards of directors of the several lines.

The terms of the alternate offer of securities in a new company in exchange for stock in the present companies has not been made public. In this respect also there will be no change in what was originally contemplated. The entire matter is to be carried out in good faith.

There are yet some details to be arranged to the entire satisfaction of the bankers before an official offer can be made. But the matter has been thoroughly thrashed over and every angle of importance considered. It has been a long and persistent effort to get the bankers to agree to all the conditions, but it is believed that no serious matter remains in the way of presenting the cash and securities proposition to the different companies.

In the meantime it is announced that the \$18,000,000 4 per cent bonds of the Northwestern Elevated will be taken up on September 1st, the date of maturity. The company will be obliged to do this regardless of the merger deal. In the event of the latter carrying, however, the redemption will be made easier.

The elevated stocks and bonds were quiet on the local exchange. One of the roads is reported to be making an indifferent showing, various reasons being ascribed, the principal one lack of enterprise. Two of the lines are showing fair improvement, but altogether the changes in earning power have not been marked in the last few months.

NEW YORK BANK CHANGE

Joseph S. House, cashier of Mechanics and Metals National Bank, New York, and Robert P. Zobel, president of the Brunswick Realty Co., were elected directors of Century Bank on Thursday to succeed Leroy W. Baldwin and Henry Dimse. J. F. Kennedy succeeds Mr. Dimse as vice-president, and C. S. Mitchell, cashier of the bank, was also made vice-president.

A change in the ownership of some Century Bank stock, acquired by friends of the Mechanics and Metals, is said to be responsible for the election of an officer of Mechanics and Metals to the board of Century Bank. That institution itself, it was said, is not concerned in the changes.

LIKES THE CHICAGO BANKER

Geo. W. Bledsoe, cashier of the Fayette County Bank, St. Elmo, Ill. writes: "In sending you draft for subscription I want you to know I appreciate THE CHICAGO BANKER and believe it to be the best banking paper published."

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

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President—Manager

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FOURTH STREET NATIONAL BANK

OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,300,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK C. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	



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send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits	\$ 2,000,000
Deposits	28,000,000

OFFICERS

ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

The Girard National Bank

OF PHILADELPHIA

Capital,	-	-	\$2,000,000.00
Surplus and Profits,	-	-	4,360,000.00
Resources	-	-	44,200,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MARCH 25, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Big Banks Moving

An event of more than passing interest in Chicago is the removal of Fort Dearborn National Bank from its present offices to the magnificent building which its stockholders recently purchased on the opposite side of Monroe Street.

The new twenty-story building which has been acquired for Fort Dearborn National's permanent home has for some time been occupied by Continental-Commercial Trust and Savings Bank. The latter has just vacated the premises, moving to the Continental-Commercial building at Adams and Clark streets. For the next few days a large force will push the work of renovating and then on April 3d Fort Dearborn National will throw open the doors of its new home. The ground floor will be given up to the bond and savings departments and the main banking floor to the general commercial business.

Fort Dearborn National has practically doubled its business in the last two years. On February 5, 1909, its deposits were \$11,600,000; on the 7th of the present month they were \$21,500,000. And other features have grown in proportion. While this growth is phenomenal, the bank's record of development from the very first has been surprising and gratifying. The institution was organized 24 years ago and for 16 years has occupied the banking floor at the southwest corner of Clark and Monroe streets. For the last two years the lack of office space has been painfully apparent, hampering the business to some extent and preventing the organization of the contemplated bond and savings departments. With the acquisition of the new building on the northeast corner, diagonally across the street from the old location, there is ample room for the present business as well as for the contemplated expansion.

Not only will Fort Dearborn National and its auxiliaries have room enough for the next quarter century's growth in its three-million dollar building but its staff will have the satisfaction and comfort of conducting business in a structure which is at once substantial and artistic. This building is recognized as one of the most imposing and beautiful that the country can boast of. It is of steel and granite construction, with marble interior. Each of the many offices is a work of art and a model of convenience. On page 28 of this number are given illustrations to show some of the best features of the building.

The official staff of the bank is to remain practically unchanged. Vice-President Nelson N. Lampert is to serve as president of the trust company and there will be several appointments in that department early in April.

Money Easy

Chicago bankers state that the promised improvement in the money market is not up to expectations. Counter loans are rarely above 5 per cent and the market is quoted $4\frac{1}{2}$ to 5. Some 4 per cent commercial paper is reported. Real estate loans are 5 to 6 per cent, with a fair volume of business. Accounts are about stationary.

Bankers Who Advocate Soil Conservation



JOSEPH CHAPMAN, JR.
Minneapolis, Minnesota

Mr. Chapman is one of the forceful, thinking men who came up from the horizon early and stayed there. He was one of the speakers before the Chicago Association of Commerce on Wednesday. His state association has been quite active in the back-to-the-soil movement and in seeking some means of keeping the boys on the farm. Mr. Chapman is the real father of the chapter movement; the fight on the express companies doing a banking business, and, for real A. B. A. money orders. He is the kind of worker one would like to see made chairman of the big council, and it's about Northwest's time.

Mr. Harris will be the next president of the Illinois Bankers Association, at present holding the quiescent job of vice-president. As chairman of the council he started the ball rolling looking to a revised constitution and to the adoption of complete bank supervision over all forms of banking in Illinois. He has led in the soil conservation movement among Illinois bankers, and now is head of that committee of the state association. It is likely that his occupation of the chair in the Illinois association will lead to much improved conditions, higher working ideals in the association, and perhaps to better banking laws.



B. F. HARRIS
Champaign, Illinois

ENTERTAINS INDIANA MEN

W. G. Edens of Central Trust had as his guests at the commerce association banquet Wednesday, Earle H. Payne and Ernest B. Thomas of Rushville, Ind. Mr. Payne is president of Peoples National Bank and Mr. Thomas an official of Peoples Loan and Trust.

Exchange Firmer

Foreign exchange rates during the week have been firm and steady with an upward trend. Strength in London exchange was due in a large measure to the demand to meet quarterly payments there. Discounts, however, have grown weaker, with the result that demand rates at the close of the week are slightly off. Quotations follow: Bankers' demand sterling, 486.20; Bankers' 60 days' sight sterling 484 $\frac{1}{8}$; Bankers' demand francs, 520 1-32; Bankers' 60 days' sight francs, 522 $\frac{1}{2}$; Bankers' demand marks, 95 1-16; Bankers' 60 days' sight marks, 94 7-16-1-32.

Norway's parliament has a woman member, Anna Rogstad.

Banking Opinion

Jacob M. Appel, vice-president of LaSalle Street National Bank, Chicago, has returned from a trip to St. Paul, Minneapolis and some of the lesser Minnesota cities. His visit was mainly on business and he took occasion to study the financial aspect of farming conditions in the spring wheat states. He stated to a representative of THE CHICAGO BANKER:

"A trip to the Twin cities and the Northwest is always interesting and exhilarating, particularly so when you find zero weather and good business. I encountered both. The clean streets, beautiful buildings, evidences of prosperity and the hustle and bustle remind the Chicagoan of Michigan Avenue and State Street of his own city. Minneapolis and St. Paul are great towns with a great future. I believe their growth and prosperity are in a measure due to the rivalry existing between them.

"Apropos of that rivalry there is an old story of Ole Olson, the Swede who was a member of the Minneapolis school board when that board was in a turmoil over the question
(Continued on page 21)

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$10,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
RALPH C. WILSON - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor
H. LAWTON - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

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HARRY MOORE, Cashier
ADDISON CORNEAU, Asst. Cashier
LLOYD R. STEERE, Asst. Secretary
J. J. RAHLF, Mgr. Foreign Exchange Dept.
W. C. COOK, Vice-President
W. G. WALLING, Secretary
A. E. COEN, Asst. Cashier
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Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

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H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

CHICAGO ASSOCIATION OF COMMERCE on Wednesday gave what our show friends would call a double bill. The two returned prodigal sons, Joseph Chapman, Jr., of Minneapolis and B. F. Harris, Jr., of Champaign were the orators of the day at a special meeting which the association devoted to soil conservation and vocational education.

THESE two Jr. bankers are just returned from a month spent along the shores of the Panama Canal and in visiting other tropical places. They were given a cordial reception, both talked interestingly, and everybody appeared to enjoy the occasion.

W. G. EDENS was the sable hued individual hidden in the cord wood. As secretary of the Illinois Bankers Association's committee on the "back to the soil" movement, Mr. Edens planned and arranged the whole matter. He is about as active in the Chicago Association of Commerce as he always has been in the forward movements of the Illinois organization.

TEXAS is to have an attendance of at least one thousand persons at its "old style" convention this year. This we have directly over the almost readable signature of J. W. Hoopes, secretary. Mr. Hoopes is a power in southwestern banking affairs and is considered always in the front rank among the potential secretaries.

M. R. HOOPES is very proud of acceptances which he already has from George M. Reynolds of this city and Charles H. Huttig of St. Louis to be among the speakers. Others mentioned in this connection are Joseph Hirsch of Corpus Christi, J. F. Scott of Houston, F. M. Law of Beaumont, and W. F. McCaleb of San Antonio.

TEXAS conventions are strong attractions to the ambitious builders up of balances among the big reserve city banks. No other state is going forward by such large strides in purely banking lines and no other state produces more desirable accounts. These conditions always coupled with the good times provided by the Texas bankers, draw the crowd.

NASHVILLE bankers already are preparing to give the members of the executive council of the American Bankers Association and the committeemen a good time when they visit that city the first three days in May. Many of the trust company members including Oliver C. Fuller of Milwaukee who is the head of the trust company section, will go direct from Nashville to New York City.

THE purpose of this eastern trip at this time will be to attend the big trust companies' banquet which has been arranged in that city to discuss questions of great interest to trust company banks and bankers.

THE CHICAGO-NASHVILLE special train of all compartment cars will leave this city Saturday evening, April 29th at about 6:20 p. m. over the Chicago and Eastern Illinois

railway. Practically all the space is taken and a splendid time is anticipated. There will be a good dinner served in the evening and a diner will be prepared to serve breakfast in the morning. The train will reach Nashville about 8:25 a. m. This is Nashville's most favorable season of the year. A busy entertainment program will be in force practically all of the time the bankers remain in that city.

PRESIDENT WATTS of the American Bankers Association has been making it a point to provide something for everybody who will be present. The ladies in particular will be well cared for and it is expected that a large majority of those in attendance will bring their wives.

IOWA bankers are getting a great many communications these days from bankers outside of the state owing to the fact that the telegraphic announcement of the time for holding the state convention at Mason City contained a typographical error. The big meeting for June 14th and 15th has been heralded abroad as a convention of the Iowa Breeders Association instead of the Iowa Bankers. We call upon our old chum, Charles H. McNider, who put Mason City on the financial map and kept it there; to send out a few postal cards and correct this misinformation.

WORD has been sent out that the Bankers Guaranty Trust Company, located in the McCormick Building, Chicago, is preparing to complete an organization and that stock is being offered for sale. Thomas L. Matkins, Jr., is the vice-president.

H. H. OGDEN, formerly cashier of the Old State National at Evansville, Indiana, has accepted the presidency of the First National at Muskogee, Oklahoma. Mr. Ogden had a fine record at Evansville and his friends there predict his complete success in his new location.

C. C. BURFORD, with the Busey Bank, Urbana, Ill., and who is the handy man of THE CHICAGO BANKER for Central Illinois, dropped into Chicago for a day or two last week. On Wednesday he attended the regular meeting of the ways and means committee of the Chicago Association of Commerce, and he heard the report of the special committee of that body on the condition and needs of the University of Illinois, of which he is an alumnus after which the committee voted to endorse the request of the University for \$2,700,000 appropriation at the hands of the present legislature. On Thursday Mr. Burford lunched with the Illini Club at the Boston Oyster House. The club is made up of former students of the University of Illinois.

AUSTIN (TEX.) NATIONAL reports over three millions in deposits which is going some, even in Texas.

ANOTHER crack bank is the Commercial National of Shreveport, La., "largest in the state outside of New Orleans." Deposits are five and a quarter millions.

JUST to show that there are dissenting opinions we quote Wm. Ingle, vice-president and cashier of the Merchants National, Baltimore, as saying that "an account reaching the bank through advertising usually is that of the floater who wants something for nothing, and one which in turn gradually is exhausting those who think that they want such business." Of course we have no information as to the character of the mediums used by the Merchants. The character of the replies are largely governed by this fact. If he advertised in a popular magazine, as one or two banks in Chicago did a few years ago, we are not at all surprised at his experience.

ON the other hand we quote from a letter signed by F. W. Ellsworth, publicity manager of the Guaranty Trust Company of New York and formerly holding the same position in the First National of Chicago. Mr. Ellsworth has gone into the subject of bank advertising at great length. For a time his Chicago institution was partly skeptical on that subject, probably owing to misplaced confidence in over estimated mediums. Mr. Ellsworth writes to THE CHICAGO BANKER from his New York station: "The Guaranty Trust Company would like very much to be identified with THE CHICAGO BANKER and its clientele and if the position indicated is agreeable, kindly let us know and we will forward contract."

NOW you have the two opposing opinions, one from Mr. Ingle of the Merchants of Baltimore, the other from Mr. Ellsworth whose experience and qualifications are undoubted. You can take your choice.

GUARANTY TRUST COMPANY of New York in statement issued in response to the recent call, as of February 28th, shows total resources of over \$173,000,000, with deposits exceeding \$133,000,000. This shows a comfortable increase in deposits in two months, or since the annual statement of December 31, 1910, of over \$9,000,000, and again in total resources of over \$20,000,000. The undivided profit account reaches total of nearly \$4,000,000 as against \$3,200,000 on December 31st.

LEVI P. MORTON is chairman of the Guaranty board, Alexander J. Hemphill is president, while Chas. H. Sabin is the executive vice-president. The bank is located at Fifth Avenue and Forty-third Street, and transacts a general banking business, giving particular attention to household as well as business accounts. Safe deposit vaults of the most modern construction are, together with the coupon rooms, located on the ground floor thus avoiding the necessity of ascending and descending stairs.

JOHN E. PRICE has sent out a statement showing the relative standing of the Seattle banks for March 7th according to deposits. The Seattle National heads the list with \$14,745,461.43 in deposits. This reveals the secret of the bank's quarterly dividends of five per cent on one million capital. This bank has a

(Continued on page 31)



COLONIAL TRUST AND SAVINGS BANK

205 La Salle Street, CHICAGO

JACOB MORTENSON, Vice-President
R. C. KELLER, Vice-President and Cashier

LONDON CABELL ROSE,
President

EMIL STUEDLI, Assistant Cashier
W. F. DOGGETT, Assistant Cashier

We offer a convenient and efficient service to those desiring a Chicago connection

Capital, Surplus and Profits
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Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis is the logical Twin City connection.

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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

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Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000 Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets CHICAGO

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Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

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CORN EXCHANGE CAPITAL - \$3,000,000.00 SURPLUS - \$5,000,000.00 UNDIV. PROF. \$ 500,000.00

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Bankers Aid Conservation Move

Joseph Chapman, Jr., B. F. Harris and R. E. Hieronymus speak at Chicago Commerce Association Meeting

A leading part in the national movement to bring business men and farmers into closer relationship is being taken by the Chicago Association of Commerce. The character and scope of this movement were fittingly brought out in the great program presented in Chicago Wednesday at the regular meeting of the ways and means committee of the association. The speaking was in connection with a noon banquet at LaSalle Hotel.

The subject of "Soil Conservation and Vocational Education" as affecting the agricultural and commercial interests of the state of Illinois and the city of Chicago in particular was discussed by the following speakers:

Joseph Chapman, Jr., vice-president, Northwestern National Bank, Minneapolis;

B. F. Harris, vice-president, First National Bank, Champaign;

Robert Enoch Hieronymus, secretary, Illinois educational commission, Springfield.

The program and speakers were furnished through the joint efforts of the members of subdivision No. 11, banks and bankers, and subdivision No. 65, education. The first named committee consists of W. G. Edens, acting chairman, James M. Hurst, W. C. Cook, W. T. Bruckner, and T. C. Neal. The members of the committee on education of the association are Morton McCormac, chairman, Edmund W. Burke, John J. Hattstaedt, Nathaniel Butler and L. S. Cook.

The meeting was arranged thus jointly that the subject of agriculture or soil conservation, and that of vocational education, in which the members of the Bankers Association of Illinois, educators and others are taking special interest might be considered at one of the gatherings of the ways and means committee, where there always is a good attendance.

Bankers are Brought In

Special invitations were sent out by President Harry A. Wheeler of the association, to every bank president in Chicago, and to other bankers who it was thought might be interested in these subjects. Invitations were also sent to President Crabtree, chairman of the council, Phillips, Treasurer Lockwood, and Secretary Crampton, and to all members of the committee on agriculture and vocational education of the Bankers Association of Illinois. Messrs. B. F. Harris, chairman, Champaign, W. G. Edens, committee secretary, Chicago, Harry Schirding, Petersburg, William George, Aurora, and George Pasfield, Jr., Springfield, William Butterworth, president Peoples Savings Bank and Trust Company, Moline, and Dr. W. E. Taylor, soil expert of Deere and Company of Moline were also invited.

Special effort was made by the committees to interest the members of other subdivisions of the association, viz.; No. 17, railroad, R. H. Aishton, chairman; No. 25, packers and allied industries, A. N. Benn, chairman; No. 26, board of trade and kindred interests, A. J. White, chairman; No. 55, stocks, bonds and commercial paper, M. H. Cutter, chairman; No. 58, brewers, malsters, brewers and bottlers machinery and supplies, H. Scarborough, chair-

man; No. 66, trade journals, particularly the editors of dailies and the representatives in Chicago of leading financial papers published in the neighboring states; No. 73, members at large, Geo. A. H. Scott, chairman, and No. 78, live stock and horse commission, Kay Wood, chairman.

Elmer H. Adams, chairman of the ways and means committee, presided and put through the extensive program on time and with the happiest humor.

City Teacher Menaces Farm

Joseph Chapman, Jr., in his speech on the problems of rural life said in part:

"The city girl who goes into rural communities to teach is a menace to the agricultural future of the nation. She strikes at the backbone of the country's prosperity.

"From her position on the rostrum of the little red schoolhouse the teacher from the city turns the thoughts of her boy pupils into other channels than those leading to the raising of cattle and corn.

"The present system of education trains boys away from the farm," said the speaker. "As a result of this influence on his mind at a critical period the boy fails to see later the possibilities that lie in the scientific development of farm land, and, believing his future lies in the city, soon deserts the life of tilling the soil."

In the establishing of agricultural high schools Mr. Chapman sees the only hope of overcoming the prejudice against the farm and in getting out of the soil what it really owes to the country. He advised Illinoisans to take heed of the situation.

"Ten agricultural high schools were provided for in Minnesota two years ago," he said. "In a canvass of the state we could not find enough teachers to man the schools. Ten more schools will now be established.

"We must turn back to the soil—keep close to the dirt—if we are to continue as a prosperous nation. In the rural consolidated schools agriculture is going to have its place."

Harris on Importance of Work

B. F. Harris in the course of his remarks said:

As a business man and farmer, I am not in the habit of making a set talk, therefore as the subject is so wide and our time so limited, I will confine myself to manuscript.

In his letter of the seventeenth, making this appointment, President Wheeler said, of the questions for discussion, "You know these are matters of much importance to the business

and agricultural interests of the state of Illinois, and particularly affect the Chicago market, and for that reason, this association's committee and your Illinois Bankers Association committee are joining hand on this occasion, to properly place these questions before the members of both associations."

I wish to thank you, therefore, on behalf of my committee, for the opportunity to co-operate in this good work and for the place you have given us on your program.

The Hon. James Bryce, British Ambassador, spoke recently of the "new force risen in American cities, which must be dealt with and which has a peculiar power for good. The commercial organization, properly constituted as to policy and personnel, wields an influence, not only in the promotion of industrial and commercial development, but also as a wholesome civic factor. This non-political commercial and civic body may become the strongest factor in collecting, focusing and diffusing public opinion; in cultivating higher aims and purposes."

Splendidly is the Chicago Association of Commerce doing its public spirited work and long since has it become a potent factor in matters for the public weal and in much of this good work all, or many of the class, trade or professional associations of the state should join. It is in this spirit, realizing the responsibilities and duties of good citizenship, that the Bankers Association of Illinois joins in this work for soil conservation.

The success and prosperity of every age and of every nation, their very existence and continuance, were and are based upon agriculture, and the character of that agriculture determined the life, the growth, the decadence or death of that age or nation.

So, to-day, a permanent, successful agriculture based on soil conservation, is our most prominent problem, for commerce waits on agriculture and banking on both.

I will not attempt to weary you with statistics, for your association has been addressed by Dr. Hopkins and is more or less advised of a declining soil fertility in this great country and state; to decreasing crop yields, due to lack of proper cropping methods and soil feeding.

In the face of all this, you are aware of a rapidly growing population, and that the last of the new land is in sight, in fact is soon to carry the furrows of the plow, for the earth has been encompassed and "Westward Ho" is no more, except as a by-word, and we must face the inevitable, for if we are not to have the makeshift of new soils, to keep up the volume of production, then assuredly we must have new methods in agriculture, if our agriculture is to sustain the nation or even itself, for now, in many localities, the problem is not so much to make two blades grow where one grew before as it is to keep the one growing.

Intelligent Farming Needed

A few years since we were a great grain exporting nation, now we are needing most of our crops at home.

(Continued on page 28)

WANTED—PARTNER

Active or silent, who can put in or interest from \$10,000 to \$20,000. Only \$3,000 wanted now, balance as needed. Records show a conservative business and that at least 30% per annum will be earned on this investment. Managed by experienced business men and bankers who have put in their own money on same terms offered you. Present valuation over five times amount now invested. All experimenting has been done on our money. Bank references; full information given. Thorough investigation invited.

Address, F18 care of Chicago Banker

Urges Bankers to Borrow

Rapids explains his hobby that Banks are too much averse to using their own Credit in times of need.

George M. Reynolds at a Clearing House Banquet in Cedar

Cedar Rapids, Iowa, March 20.—The use of its own credit by a bank is one of the things which George M. Reynolds, of Chicago, believes to be at times most advisable. In speaking before the bankers of this city, the other night, he strongly advocated banks to become borrowers at certain times. They are lenders of money, but they hate to be borrowers. They condemn in themselves what they practice toward others. When a bank appears as a borrower, he said, it is often used against it by other banks. But for a bank to be a borrower ought rather to be taken as an evidence of its strength of credit. A bank that can borrow \$100,000 in some other place, where money at the time may be abundant and put it to use in the city in which it does business would be conferring many benefits upon that community and its business interests. Money is often cheap in New York, while it is dear in the West because New York has a surplus and the West has a deficiency. The thing for banks to do at such times is to go to New York and borrow what the West needs.

Mr. Reynolds strongly advocated this idea and urged it upon the attention of bankers. He could see in it some of the solutions of monetary problems with which this country is periodically afflicted. The main thing is always to have the money where it is needed at a particular time and the bankers are the men who should make provision for such distribution of it. The fact that Mr. Reynolds advocated such an idea will have great weight with bankers. He is himself the most eminent banker of the West, a man who has arisen from an \$8 a week clerkship to the control of the destinies of a bank with assets that amount to a quarter of a billion dollars, and he has made the rise in less than a score of years. If he does not know banking business, who does know?

The Cedar Rapids clearing house gave a fine dinner at the Hotel Montrose at which President Geo. M. Reynolds, of the Continental and Commercial National of Chicago, was the guest of honor and the speaker. More than a hundred representative men, many of them from out of town, sat down at the well laden tables, beautifully decorated with flowers. The menu was an abundant one and the dinner was one of the best that the hotel has served.

After the eating came the speaking. Kent Ferman, of the Cedar Rapids National, had been selected as toastmaster, and he discharged the duties of that office in a most satisfactory and happy manner. His duties were few, indeed, for there was only one speaker and that was Mr. Reynolds.

Mr. Reynolds spoke for fully an hour. His special subject on the program "Impending Financial Legislation and the Duty of Capital to the Public." The pending legislation to which reference was had was the Aldrich bill, a tentative measure introduced by the senator from Rhode Island and intended to bring to a focus the much talked of need of monetary reform.

Mr. Reynolds does not pose as an orator, but he is a very convincing talker. He spoke throughout the evening in a conversational tone rather than in the oratorical manner. But toward the last, while he was dwelling upon the duties of capital to the country, he became fairly aglow with his subject and he

spoke with both vehemence and with eloquence. It was an instance of a man thoroughly imbued with his subject and as thoroughly convinced of the duties of capital, that is of men who represent capital and who handle it as bankers. At the conclusion of his speech Mr. Reynolds was strongly applauded, the applause amounting almost to an ovation. It showed that he had made clear a somewhat mystical subject and the men who had listened to him were thankful to him for such a presentation of a subject in which all are so vitally interested.

In the beginning of his speech Mr. Reynolds referred to the fact that he is an Iowa man,



GEORGE M. REYNOLDS
President Continental and Commercial National Bank, Chicago

born in Guthrie county, reared in its schools and who met with his first success in business life in Des Moines. He has spent thirteen years in Chicago and during that time he has risen from the position of a cashier in a bank of that city to the presidency of a bank that represents a quarter of a billion dollars in assets. Such a career is staggering to most minds. Of late years he has given much attention to the larger question of finance. So conspicuous have these services been that he was offered the secretaryship of the treasury, an office which he declined because his duties were already greater than those that pertain to that important national office.

Mr. Reynolds is an altruist as well as a great bank president. He does not believe that a man has rendered his full measure of service to the world when he has made money for himself or with which to endow his family. A man owes other services to his community and to the world. Mr. Reynolds has a sincere desire to be of service to his fellowmen in the settlement of great national problems. He is that kind of a man. He has not outgrown his Iowa birth and environments. He is as true now to the old ideals as he was when he came up from Panora, a country banker-boy with a career in his mind and an ambition in his heart.

It is almost impossible to fully summarize

Mr. Reynolds' address. After referring to the needs of a more stable monetary system, he took up the plan suggested by Mr. Aldrich, submitted to the national monetary commission and showed how that plan fitted the conditions of the country. He took up all the salient points in the plan and answered many of the objections that had been made to the proposed central bank which would simply be an association of all the national banks, with the government as a partner and the regulator of its affairs. He showed that the plan had at once strength and elasticity—that it would fit into every section of the country and have strength enough to take up any sag in business. It would help the whole country because it would mean that the money of the country could always be carried to that part of it where it was needed at a particular time.

In conclusion he asked the men who have the banking business of the country so to conduct their business that they can have the confidence of their fellowmen and then not to hesitate to take their part in the public discussions. To leave these great questions to the politicians, who might be demagogues at the same time, would mean to leave the country in uncertainty and suspicion all the time. He wants to see the business men take an interest in politics and see to it that politics should not mean antagonism to the business interests, the interests that were so vital to the welfare of all the people. The opening paragraphs of this dispatch give the essence of Mr. Reynolds' talk on another important—perhaps the most important—branch of his subject.

BENEFIT IN CORPORATION TAX

Secretary of the Treasury MacVeagh recently expressed his gratification at the decision of the supreme court in upholding the constitutionality of the corporation tax law. He said that this would obviate the necessity of a \$100,000,000 Panama bond issue. He pointed out that the \$27,000,000 tax already collected would help to relieve the situation of the treasury department, and with the \$35,000,000 tax which will have been collected from corporations by June 30th, next, will make the Panama issue in the neighborhood of \$50,000,000, which will be small lots, appealing to the small investor rather than the banking institutions of the country.

Mr. MacVeagh declared that it would have been a severe blow to the financial system if the decision had been against the government. He said that the corporation tax was the nearest to the income tax of any tax ever levied.

INTERIOR BANKERS HERE

George W. Telling, cashier of Commercial Trust and Savings Bank, Danville, and J. F. Haworth, vice-president of First National Bank, Westville, were Chicago callers last week. Mr. Haworth reports a good line of deposits for the new bank, although located in a mining rather than an agricultural portion of Vermillion county. Mr. Telling expressed interest in the work of the committee on agriculture and vocational education of the Illinois Bankers Association, and states that the farmers and landowners are taking more interest in these subjects than heretofore.

ILLINOIS BANKING NEWS

By C. C. Burford

The First National of Freeport has decided to postpone the enlargement of the banking room until next year. The bank has taken over the Munn Building and intended to enlarge their banking space by using the adjoining room. However, this room is used by the American Fruit and Candy Company and as the confectionary people cannot find suitable quarters elsewhere the bank officers do not wish to force them out.

New Banks in Cook County

State Auditor McCullough has issued a permit for the incorporation of the Douglas State Bank in Chicago to Nicholas R. Jones, Carroll Caruthers, and Sampson Cusdorf. The bank will have capital of \$200,000.

Morgan Park will have a new state bank to be known as the South-Cook County Bank and a permit to incorporate this institution has been issued to Daniel Gawne, John McGinniss, Robert Burns, and Charles M. Coulon. The capital will be \$250,000.

A new down-state bank is the new one at Sidney, Champaign county, which will operate under a state charter. J. F. Rankin will be the cashier. The bank will have capital of \$25,000. This bank will add another to the long list for Champaign county and that county has already more banks than any other county in the state outside of Cook. It is indeed a small village in Champaign county which does not have two banks.

Illinois Notes

The consolidation of the First and Third Nationals of Bloomington became effective Wednesday, March 15th. The combined institutions will be known as the First National.

The First National and the First Trust and Savings Banks of Springfield, which are allied institutions, report time loans of \$1,854,539 and deposits of \$2,251,400. The capital is \$250,000. The Illinois National of Peoria, with capital and surplus of \$288,213, reports loans and discounts of \$1,250,393 and deposits of \$1,825,860. William C. White is the cashier.

J. D. Lynch, president of the Monmouth Trust and Savings Bank, is mourning the death of his mother, Mrs. Mary Lynch.

Stephen A. Foley, president of the Lincoln National of Lincoln is at Hot Springs, Arkansas. Mr. Foley is so much interested in the affairs of his home town that he has sent his membership to the Lincoln Commercial Club to the president of that organization and is not waiting until he returns.

The German-American National of Pekin, a depository of the United States Postal Savings Bank of Pekin, reports deposits of \$1,149,087 and loans of \$656,376.

Bonds are being sold in Chicago and elsewhere for the promotion of an electric railroad to connect Springfield and Petersburg and also Pekin and Petersburg.

Advices from Cairo and Anna are to the effect that the recent cold weather was very hard on early peaches, pears and plums. Apples being later are thought to be safe so far.

The fruit crop of "Egypt" is becoming more important each year.

Fred Becker, cashier of the First National of Lincoln, is proud of a violin which he made himself. When the old courthouse in Lincoln was being torn down Mr. Becker secured a good block of old wood and being a master carver began the construction of a violin. The finished instrument is said to be a violin of good tone quality and of most beautiful construction. Mr. Becker is a good musician and he and his friends are especially pleased with his unique piece of manufacture.

The Bank of Tallula was recently damaged by fire which swept the business portion of that village. The Farmers and Merchants Bank of the same village also suffered from the fire. Both of these banks are now occupying temporary quarters.

Ira Rigdon is the new cashier of the Peoples State Bank of Mansfield, Piatt county.

The State Bank of Clinton is to have an extensive remodeling, the front of the bank being rebuilt and the banking room being enlarged. \$20,000 will be spent in these repairs. L. R. Murphey is the cashier.

R. D. Aitchison, formerly of Mount Pulaski, is now in charge of one of the banks in Colfax, Iowa.

BANKERS MAKE AUTOMOBILES

The Orson Automobile Company, organized less than a year by 100 prominent New York bankers, is now turning out cars of a high type. These bankers, it will be remembered, decided to co-operate in having their own cars built and to this purpose arranged for their construction at Springfield, Mass.

Finished cars, turned out at Springfield plant, have for some time past been on exhibition at the Beluord Apartment House. The bankers have endeavored to produce a car which would meet the requirements of users of the highest type automobiles at a reasonable cost. In this, they assert, they have been successful.

DAVIS HEADS TRUST COMPANY

Abel Davis, recorder of Cook county, has resigned his official position in order to become the president of the reorganized Real Estate Title and Trust Company, whose proposed mortgage insurance project is at present arousing agitation in real estate circles.

Mr. Davis admitted that he had been offered the presidency of the company and of the proposed mortgage guaranty company to be affiliated with it, and that he practically had decided to accept the offer.

Besides being recorder he is register of the Torrens system, in which he is greatly interested and to the development of which he has given much attention.

Mr. Davis is a lawyer and a member of the firm of Gardner, Stern, Anderson and Davis. He was admitted to the bar in 1901, and for a time was associated with Sigmund Zeisler.

He also has a military record, having served through the Spanish war with the First infantry, Illinois national guard, of which he is now a major.

Mr. Davis gave out the following statement regarding the matter:

"I have been offered the presidency of the reorganized Real Estate Title and Trust Company and of a mortgage guaranty company which will be affiliated with it.

"The acceptance of this offer means my retirement from public office. While this step is to my financial interest I will leave the public service with the deepest regret."

BANKERS OF ST. LOUIS FEEL FINE

George M. Reynolds, President of The Continental and Commercial National Bank, returned on Monday from St. Louis. He said he found a comfortable feeling there among the bankers. Business, however, was inclined to be quiet and the demand for money not as brisk as the bankers would like. The South, with which the St. Louis bankers deal largely, was reported by them to be prosperous.

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ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,700,000

Deposits over - - - 22,500,000

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YOUR CHICAGO BUSINESS RESPECTFULLY INVITED

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OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,430,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,057,000.00

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With Resources of **TWENTY-ONE MILLION DOLLARS**

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CORRESPONDENCE INVITED



HARRIS GET DES MOINES LINE

C. B. Hippee, president of the Des Moines City Railway Company, announced at a meeting of the greater Des Moines committee Saturday that the street car company property has been sold to N. W. Harris and Co. of Chicago.

J. R. Harrigan, who has been stationed at Columbus, Ohio, as manager of the Columbus, Delaware and Marion Railway, will become manager of the Des Moines property. The system, which has been in the courts for some years and which the city recently contemplated buying, will be improved immediately.

The property was valued at \$4,500,000, including 52 per cent of the stock which the Harris Company already owned. The Harris Company has also controlled the company's bonds. The actual cash transfer was about \$600,000.

CONVERTING FROM PRIVATE BANK

Chicago is not behind the rest of the state in the process of converting private to metropolitan banks. Charles L. Norton, Richard W. Saunders and Mat Smith have received from the state auditor a permit to organize The Hyde Park Trust and Savings Bank, with \$200,000 capital. It will take over the business of The Hyde Park Bank, a private institution now owned by Messrs. Norton and Saunders. It has done business at 1544 E. Fifty-third Street for more than twenty years. Much of the stock of the new bank will be held by other prominent residents of the Hyde Park and Woodlawn districts who have done business with the old institution for years. Mr. Saunders is a trained, up-to-date banker, with good banking experience in larger banks.

OREGON BANKER IN TOWN

Cashier Guy L. Lindsay of Citizens National, Baker City, Oregon, was a caller at Fort Dearborn National Monday. Baker City is a fruit center and its remarkable prosperity is founded largely on modern and successful hor-

ticulture, a fact which Cashier Lindsay made plain to many inquirers in Chicago. It is a well known fact that the people go from all parts of the world to study diversified agriculture as it is exemplified in that part of the United States.

DEATH OF DAVID H. MOFFAT

David Halliday Moffat, president of First National Bank of Denver and of the Denver, Northwestern and Pacific Railroad, died suddenly at the Hotel Belmont, New York, Saturday, from heart failure, following a slight attack of the grippe. He was seventy-two years old.

HAUGAN'S \$2,000,000 BOND

The bond of the treasurer of the University of Illinois, elected at the annual elections of the board of trustees was placed at \$2,000,000. This, it is said, is one of the largest bonds of any university treasurer in America. Henry A. Haugan, the treasurer-elect, is vice-president of the State Bank.

SOUTHERN BANKER HERE

R. L. Goolsby, president of Greenfield Bank, Greenfield, Tenn., was a visitor at Fort Dearborn National the fore part of the week and inspected with great interest the new banking home across the street to which Fort Dearborn will move April 3d. Mr. Goolsby stated that southern bankers were coming more and more to appreciate the advantages of coming to Chicago and doing business here.

BANK ROBBERS BREAK JAIL

Monmouth, Ill., March 22.—Carl Carroll and George Reed, charged with the robbery of the Swan Creek Bank January 31st, escaped last night. Friends from the outside cut a hole through the jail wall and then filed open the cells. There were no other prisoners in the jail.

SAYS SOUTH IS CORDIAL

Vice-President William C. Cook of Western Trust and Savings Bank has returned from a vacation trip in the South. He went as far as Bellaire, Florida, but on the way visited several interesting points, including Chattanooga Park.

Mr. Cook says the thing that most impressed him during his visit was the cordial feeling toward Northerners which was everywhere manifest. This friendly and hospitable spirit makes it a pleasure to visit the South or to do business there. He found a keen interest regarding the rapid growth and the multitudinous commercial interests of Chicago. Dealings of Southern bankers with Chicago institutions have increased very rapidly in the last two years.

NEW ORLEANS WANTS A. B. A.

New Orleans, La., March 20.—Fred E. Farnsworth, secretary of the American Bankers Association, came here to look over the ground preparatory to the meeting of the executive committee, to be held May 1st, at Nashville, to decide where the next annual meeting of the association is to be held. Mr. Farnsworth is gathering data on hotel accommodations, etc., but, as the bankers held a meeting here nine years ago, and many of them want to come back here, it is believed that there is no doubt about the selection of New Orleans for the next meeting.

One of the features of the meeting, if it is held here in the fall, will be an excursion trip to Panama so as to give the bankers an idea of the canal work.

The principal business of the next session of the association will be the discussion of the monetary system of the country, with plans to work in co-operation with the national monetary commission to reach a solution of the problem. San Antonio, Tex., is so occupied with the troops and New Orleans so disappointed over losing the fair, that the chances for the A. B. A. coming here look good.

WILLIAM J. BURNS, President
Formerly U. S. Secret Service
Late San Francisco, Cal., Graft Prosecution

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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over **\$40,000,000.00**



Postal Savings

Washington, March 22.—On January 3, 1911, postal savings banks were opened in forty-eight offices. On February 28, 1911, 3,923 accounts had been opened in these offices and 6,864 individual deposits made. The average deposit reached the unusually large amount of \$21.50. During this period only 259 accounts were drawn out and closed.

The net amount of deposits at the offices after two months' operation is \$133,869, and it is estimated that if the business retains its present volume at the close of twelve months the deposits will amount to \$803,214.

The forty-eight postoffices selected for the introduction of postal savings banks are small offices, the combined population of all the cities being only about 370,000. Among the forty-eight offices Pekin, Ill., ranks thirteenth in the volume of business. It had 137 accounts at the close of February, with \$3,313 in deposits, and an average of \$24.18 per depositor.

Congress at the last session appropriated \$500,000 for the extension of postal savings banks. The board of trustees had asked for \$1,000,000 for this purpose. It is the board's intention to use the appropriation to open several hundred more banks throughout the country. Washington will be the only first-class postoffice to be given a postal savings bank at this time.

Experience to date has proved that the banks are most successful in mining communities, where the foreign population is largest.

Leadville, Colo., has been the banner postal savings bank office to date. With 362 accounts, \$21,253 has been deposited, or an average of \$58.71 per account.

It is reported that Oscar Krimbill will be president of a new national bank which will be organized at Hammond, with a capital stock of \$100,000.

A PLEA FOR BRANCH BANKS

H. M. P. Eckardt, the author of "A Rational Banking System," published this week by Harper & Bros., was for nineteen years in the service of one of the great Canadian banks—the Merchants Bank of Canada—passing from junior to branch manager, and finally occupying an important post in the head office. Since his retirement in 1905, Mr. Eckardt has resided in the United States, studying and writing upon financial topics. "A Rational Banking System" shows by the workings of two hypothetical branch banks how, under a good system of such branch banks, each important geographical division of the country might be more independent of the New York money power than it is to-day. The relations of the United States Treasury with the banks, the matter of regulation and control, external and internal examinations, of the massing of cash reserves, of international standing, and of business morality are also discussed.

BALTIMORE BANKS MERGE

Announcement is made that the merging of the National Bank of Baltimore and the Commercial and Farmers National, of that city, has been ratified by both boards, more than two-thirds of the stockholders of the Commercial and Farmers acquiescing in the transfer. With a capital of \$500,000 and undivided profits aggregating \$114,000, the latter bank was acquired by the National Bank of Baltimore on the basis of liquidation value. At the same time the National Bank of Baltimore takes over deposits of \$1,300,000, which, added to its own line of \$6,300,000, now gives it a total of \$7,600,000.

Aside from its financial and business significance, interest is lent to the merger through the fact that it unites two of the oldest banking institutions in the country, the National Bank of Baltimore, the third oldest in the United States, having been established in 1795, and the Commercial and Farmers National, in April, 1810.

J. W. Spangler

J. W. Spangler, for the last five years manager of the credit department of the Dexter Horton National Bank, at Seattle, Wash., has been elected an active vice-president of the Seattle National Bank, the change becoming effective at once. His election fills a vacancy that has existed in the big financial institution since the first of the year. Spangler's acquaintance in banking and commercial circles extends throughout the United States. Regarded as a high authority on bank credits, he is vice-president of the National Association of Credit Men, New York City; secretary of the Seattle Clearing House Association, and just has resigned the presidency of the Seattle Association of Credit Men.

The newly elected vice-president represents the type of aggressive business men, thoroughly experienced, though still young in years. He has resided in Seattle for nine years, during about three of which he was superintendent of Bradstreet's. During the panic of 1907, when financial conditions were in a chaotic condition, he was a conspicuous figure in handling the affairs of the associated banks of the Queen City. In the matter of bank credits he is rated as one of the most qualified men in the country. In financial and commercial circles, the appointment of a man of his years to a position of such responsibility with the largest bank in Seattle is regarded as a most signal honor.

Of much interest to eastern bankers who advance money to western cattle shippers, is a recent decision handed down by the court of appeals in Kansas City. In this case it was held that the attaching creditors at a livestock market cannot take possession of cattle shipped for sale when the owner had previously assigned his title to a bank that had loaned him money for feed and delivery charges.

The Illinois House has passed the Lincoln Park bond bill, involving \$875,000.



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

OFFICERS

L. J. PETIT, President	L. C. BOURNIQUE, Cashier
FRED'K KASTEN, Vice-President	W. L. CHENEY, Asst. Cashier
HERMAN F. WOLF, 2nd Vice-President	WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit	Frederick Kasten	R. W. Houghton	Oliver C. Fuller
Herman W. Falk	Geo. D. Van Dyke	Gustave Pabst	Charles Schriber
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

OFFICERS

OLIVER C. FULLER, President	GARDNER P. STICKNEY, Vice-President
FRED. C. BEST, Secretary	R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman	Frederick Kasten	R. W. Houghton	Oliver C. Fuller
Herman W. Falk	Charles Schriber	Gustave Pabst	Gardner P. Stickney
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	Clement C. Smith

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Clearings for Milwaukee banks during the past week have shown some falling off from the levels established for the same period a year ago. This, however, is not taken as evidence of any decrease in the volume of business being transacted by various manufacturers and merchants for on every hand sales are reported as satisfactory and in a number of instances the manufacturers claim that they will greatly increase their working forces within a few weeks to take care of the summer and fall trade now commencing.

For some time Milwaukee newspapers antagonistic to the Socialistic regime have been publishing statements claiming that there was a vast army of the unemployed in this city amounting to at least 50,000 men, but bankers and leading manufacturers claim that this figure is grossly exaggerated and that the total of men out of work would probably not exceed 20,000 or little better than normal for this time of the year.

Bond salesmen returning from points out-in-state claim that they have been making good sales of late in the higher grade securities and that there is a healthy inquiry for good bonds from the country banker indicating a good volume of trade this summer.

Progress of Bank Legislation

According to a report sent recently to members of the state association by Secretary George D. Bartlett, progress has been made with some of the minor banking measures at Madison during the past week. Senator Owen

is reported to still have his pet guaranty bill pigeon holed awaiting more favorable opportunity to present same to the legislature.

The segregation of deposits bill will also be withheld until the guaranty bill is settled.

The following bills have recently been acted upon in the assembly :

254 A—Prohibiting loans upon certain stock in banks.

261 A—Restricting loans upon real estate to Wisconsin and adjoining states.

266 A—Doing away with "loose-leaf" books of original entry.

267 A—Requiring monthly meetings of directors and requiring all directors to be residents of Wisconsin.

All of the above have been ordered engrossed and came up for final passage March 22d.

Bill 264—Prohibiting loans to managing officers of banks was reported favorably by the assembly committee but laid over for a few days.

Bill 273—Assemblyman Rupp's guaranty bill was recommended by the assembly committee for indefinite postponement, this being practically a duplicate of Senator Husting's bill. It was re-referred to the committee on banks by a vote of two to one.

Lawyer's Guaranty Bill a Joke

"There is a good deal of amusement among legislators and bankers of the state," says Secretary Bartlett of the Wisconsin Bankers Association, "relative to the lawyers' guaranty

bill submitted before the legislature recently. This bill provides that lawyers shall be required to pay a certain amount each year into a guaranty fund to protect present and prospective clients. The bill is based upon the theory that unless clients are protected, the lawyers will take everything they win, in lawsuits. It is a burlesque on the proposed bank guaranty law.

New State Bank at West Allis

The furniture of the new state bank at West Allis has been installed. The bank building is triangular in form and the receiving and paying department is enclosed by walls of mahogany and plate glass set in the form of a horseshoe. Between the two points of the "shoe" is the entrance to the main vault back of which is the vault for the safety deposit boxes. A private room is provided for patrons of the safety deposit department and there is a room for the bank directors. Directly over the main vault is another vault for the storage of valuables such as gold and silver and other articles of value. A burglar alarm system is to be installed and this will be placed in the front end of the building directly over the entrance.

Bank to Open Its Doors May 15th

The directors of the Citizens State Bank of Fond du Lac held a meeting Monday of this week at which time it was determined to open for business on May 15th. There are now ninety stockholders and it is believed that the list will reach over 100 when the \$10,000 of re-



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The First National Bank of Milwaukee

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Conservative Progressive**

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JAMES K. ILSLEY, President	
JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
H. J. PAINE, Asst. Cashier	F. A. KIRCHHOFF, Asst. Cashier
F. X. BODDEN, Mgr. Bond Department	G. A. RUESS, Mgr. South Side Branch
S. H. MARSHALL	J. H. TWEEDY, Jr.
R. N. McMYNN	GUSTAV REUSS
	C. C. YAWKEY

serve stock has been allotted. This stock is now being placed as the organization has been completed. The officers have been instructed to make arrangements for the necessary bank equipment so that there will be no delay when the date for the opening has been reached.

Beloit Has Two \$1,000,000 Banks

Beloit's splendid showing in banking resources and gain in deposits at the publication of the recent statements places the banks of that city in the million dollar class. The Beloit State Bank has now reached that distinction with resources exceeding that amount while the Savings Bank shows resources of more than a million and one-half. The combined deposits of Beloit's four banking houses totals more than three and three-quarter millions, in actual figures, \$3,754,143.16.

It is interesting to note that the combined deposits of the four Janesville banks, Beloit's business rival city, taken from the statements of the same date was \$3,874,530.09, or, only \$120,386.93 in excess of Beloit.

Oshkosh Bank Gives Banquet

Fifty men, including the officers of many of the leading banking institutions of Oshkosh, Chicago, Milwaukee, Minneapolis, Neenah, Fond du Lac, Sheboygan and other cities, sat down at the banquet table in the English room of the Athearn Hotel, Oshkosh, last Friday evening, as guests of the Old National Bank of that city. The banquet was given in honor of the completion of the bank's new building.

Informality was the rule of the banquet and although there were numerous short addresses, there was an absence of restraint and the men around the festive board said sincerely pleasant things spontaneously. The cashier of the bank, Louis Schriber, occupied what would have been the rôle of toastmaster had the dinner been a more formal one.

Among those present from outside cities were the following: E. J. Hughes, Walter Kasten, Walter Denning, Gardner P. Stickney, W. L. Cheney and George D. Bartlett, of Milwaukee; Harvey Vernon, George S. Channer, H. Judson, C. R. Pierce, Merrill Coit, E. A. Channer, of Chicago; George Utz, Appleton; R. A. Christie, Berlin; T. C. Ebernau and E. J. Perry, Fond du Lac; H. A. Fisher, Menasha; S. B. Morgan and John Shieles, Neenah; A. J. Marble, Omro; F. W. Luck, Waupun; T. F. Wilson, Weyauwega; James Stone, Ripon; E.

A. Dow, Plymouth, and L. A. Pomeroy, Amherst.

State Banking Notes

Commissioner of Banking Kuolt has issued a charter authorizing the Farmers and Merchants State Bank of Kewaunee with a capital of \$2,500. O. H. Bruemmer is president with J. E. Hutchinson, cashier.

Articles of incorporation have been issued to the Ferryville State Bank at Ferryville with capital of \$10,000. The incorporators are Eugene C. Amann, M. Burham and Fred Copsley.

Henry Nelson succeeds to the position in the Old National Bank of Oshkosh made vacant by the promotion of Irving Hanson who fills the place of Myron Johnson, resigned.

The work of putting in the burglar alarm in the Montello State Bank was commenced this week and in a few days the system will be complete.

John Pratt, cashier of the Citizens State Bank at Menominee, was a recent visitor at Madison.

It is reported that a new bank is assured for Oconto and that nearly all of the stock has been subscribed.

The First National Bank of Rhinelander has let a contract for the erection of a \$60,000 building on the site of its present quarters and the

work will be commenced as soon as the frost is out of the ground.

Application has been made by Thos. E. Anderson, George A. Steven and William J. Brennan for a state bank to be located in the city of Tomah to be known as the Farmers and Merchants Bank. The capital will be \$25,000.

E. P. Ainsworth of Neillsville has announced his intention of organizing a state bank at Ladysmith and to have same ready for business by June 1st.

Architects Van Ryn and De Gelleke are drawing plans for a new bank building for the First National Bank at Antigo to cost approximately \$20,000.

BANKERS MEET IN TEXARKANA

The third annual meeting of Group Six, Arkansas Bankers Association, comprising Miller, Lafayette, Kempstead, Columbia, Howard, Clark, Pike and Little River counties was held in Texarkana was a large attendance. The address of welcome was delivered by Charles M. Blooker of the State National Bank of Texarkana, and the response by Ivie E. Howell of the Bank of Waldo.

Reports of officers showed marked progress during the last year. Judge W. M. Kavanaugh and Judge W. E. Hemingway of Little Rock were among the speakers. A. P. Beasley of the Bodcaw Bank at Stamps was elected president, and Stuart Wilson of the Texarkana State National, secretary for the ensuing year. Among the visitors attending the meeting were George F. Baker of the National Bank of Commerce, St. Louis; L. C. Stuart of the Third National, St. Louis, and C. L. Boye of the Mechanics-American National, St. Louis.

A BANKER FOR MAYOR

E. T. Guthrie, cashier, Mattoon (Ill.) State Savings Bank, had a walk-away as a republican candidate for mayor in the primaries of his home city, being returned a winner by a good substantial majority. Mr. Guthrie has many friends throughout the state who will be pleased to learn of his success, and who feel confident that he will make a splendid mayor.

C. B. MILLS A VISITOR

Vice-President C. B. Mills of People's Trust and Savings Bank, Clinton, Iowa, was a visitor at Continental-Commercial Tuesday.

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L. A. BATTAILE, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

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G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Mo., March 22.—Marked improvement in the general commercial demand for credits was reported by leading financial institutions this week. Deposits are slumping and the loans item is larger in the aggregate than has been the case for some time. Country balances with the larger nationals are being reduced, and agricultural needs are being gradually felt. The shipments for currency and gold to the interior thus far this season have been light, but the volume is increasing right along. However this movement has had no appreciable effect upon the general situation here. The various trade bureaus report a greater number of country buyers here now than any similar period since the last panic. Sales of the big wholesale houses on Washington Avenue are running well over those of last year, and indications for spring and summer trade are extremely hopeful in the region tributary to St. Louis. This is especially true of the Southwest, where crop prospects are bright. Some damage to fruit crops was sustained in the recent cold snap, but winter wheat is in splendid shape, and with no unforeseen incident, the yield will surpass that of last season. In addition to the increased acreage, actual conditions of soil and plant insure bigger returns. It is expected that the needs of the country for spring planting will be felt earlier this year than the average, and the banks handling that business have made full preparations to take care of it. Withal there are ample funds still on hand, and outside of a tendency to tighten, the market shows no change as compared with the last two or three weeks. Quotably the range of rates is from $4\frac{1}{4}$ to $5\frac{1}{2}$ per cent, with the majority of accommodations being granted between $4\frac{1}{2}$ and $5\frac{1}{4}$ per cent.

Francis on Mexican Situation

David R. Francis, vice-president of the Merchants-Laclede National, is watching closely developments on the Rio Grande. As a financier he is interested in investments of Americans in Mexico, and as a former cabinet officer, the international problem appeals to him. Besides Mr. Francis has two sons in the cactus republic. Speaking of the situation Governor Francis said: "I do not anticipate serious trouble. In addition of the desire of the president to give the officers of the army experience in handling brigades and divisions, I think there is undoubtedly the purpose of serving notice to Mexico, by the fact of the presence of the army on the border, that we are able in case of Mexican inability to preserve order, to protect not only our citizens and their property, but those of foreign nations also. In-

formation which I have received from confidential sources inclines me to believe not only that this is the purpose of the mobilization, but also that President Taft is eminently wise in ordering it in view of the situation."

Arkansas Bankers Want Safe Law

Bankers of south Arkansas, at the annual meeting of Group Seven at Pine Bluff, went on record as favoring a safe, conservative law regulating the organization and conduct of the banking business of the state. Legislators were urged to promote the enactment of such a measure. The resolution was presented by B. C. Powell of Camden, and met unanimous favor. An amendment opposing the Deaton and Turner bill now pending, failed to carry. In the selection of officers H. D. Palmer of Star City was made chairman, R. L. Hyatt of Monticello, was elected vice-chairman and Joe Nichol of Pine Bluff secretary-treasurer. Chairman Palmer named the following committees: program, M. E. Bloom, Pine Bluff; H. J. Martin, Warren; H. B. Strange, Pine Bluff. Publication, B. C. Powell, W. D. Atwood, and Albert Rowell. Seventy-five bankers were in attendance, including financiers from St. Louis, Chicago, Little Rock, Memphis and other western centers.

More Examiners Needed

Advices from Austin, Tex., are to the effect that the department of insurance and banking is at present facing a grave problem. It seems almost impossible, with the present force of examiners, to complete the examination of the state banks for this quarter. There are now 671 state banks in Texas, over thirty have been

opened since the first of the year, three applications for licenses are now pending and inquiries have been received from seven more prospective banks relative to charters. At present the force of examiners numbers twelve. The law contemplates that there shall be one examiner for every forty banks, while the appropriation bill makes allowance for only twelve. Hence B. L. Gill, commissioner of insurance and banking, believes that under the present law it is impossible to increase the force until the appropriation bill for the next two fiscal years is passed and becomes effective. This would continue the present force until September 1st. The appropriation bill drafted by the regular session allowed fifteen examiners for the next year and seventeen thereafter.

Missouri's Taxable Wealth

According to a report issued this week by the Missouri state board of equalization the total taxable wealth of the state is \$1,547,592,299, or \$64,115,603 more than it was one year ago. The document shows that banks grew in numbers and valuations increased enormously.

Whitaker a Modernist

Edward Whitaker, president of the Boatmens Bank, has some ideas on the conduct of modern banking which might be called ultra modern. These he has put into practice, since becoming president of the Boatmens Bank, and the increase in business and general aspect of that institution indicates that these ideas are pretty good. "Accessibility is the keynote of modern banking," said Mr. Whitaker, "the bank president behind a series of doors with guards at each doorway, is a figure of the past. To-day the bank president is out in the open, often at a desk less elaborate than those of many of his assistants. The nearer the desks of the president and cashier are to the course usually traversed by customers, the greater, broadly speaking, the advantages for both customers and bank. Many persons whose bank accounts are small erroneously think that the president and cashiers of the bank at which they do business are not sufficiently interested in them to know them. Even from a selfish standpoint the bank officers desire to know all their customers, for it is a well established fact that small accounts to-day become large accounts to-morrow. An alert president will seek to know not only the customers proper, but the clerks who represent their employers at the bank. These clerks as a class are persons of integrity, and hence many of them are destined to become executive heads. The farsighted bank president desires to know these

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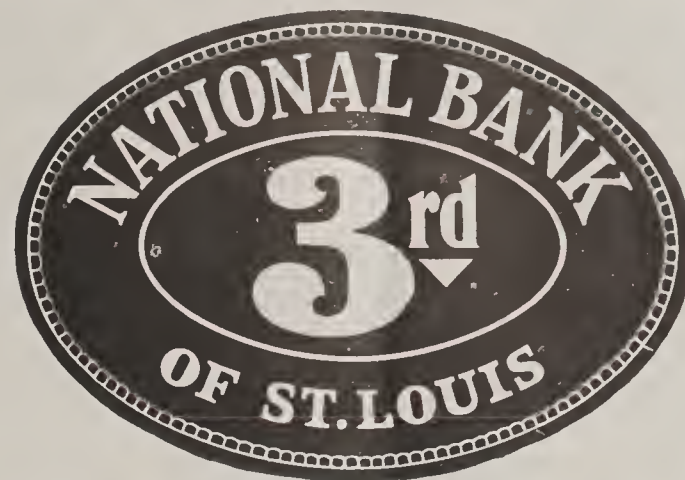
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\$35,000,000C. H. HUTTIG, President
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J. R. COOKE, Assistant CashierD'A. P. COOKE, Assistant Cashier
R. S. HAWES, Assistant Cashier
H. HAILL, Assistant Cashier
E. C. STUART, Assistant Cashier

clerks now, so that for the welfare of all concerned, the acquaintance shall be better then."

Third National Changes

Thomas Wright, for many years a director of the Third National, was elected to succeed the late William B. Wells as vice-president. The vacancy on the board of directors was filled by the election of Elliot K. Ludington. Mr. Wright will not be an active officer in the bank proper, but will manage the Third National Bank Building, as Mr. Wells did. Mr. Wright was formerly in the cigar manufacturing business. He has extensive realty holdings, the Wright Building, at Eighth and Pine streets, being named for him. Mr. Ludington the new director, is a member of the H. and L. Chase Bag Company.

Morath Leaves Mississippi Valley

Charles W. Morath, safe deposit officer of the Mississippi Valley Trust Company, and one of the ablest of the younger financiers of St. Louis has resigned to engage in business in the West. Officers and employees of the company paid an exceptional tribute to Mr. Morath. Upon the acceptance of his resignation, W. G. Lackey, vice-president of the company, presented him with a testimonial of esteem, the gift of his fellow workers and the officers. Mr. Morath has been with the Mississippi Valley Trust Company for fourteen years. He held various positions, serving for several years as secretary and assistant to President Breckinridge Jones.

Oklahoma Banks Consolidate

The First National and the Hobart State Bank of Hobart, Oklahoma, were merged this week, with Doctor E. F. Dunlap as president of the consolidated institutions. Other officers are: F. T. Chandler, vice-president; G. E. Sutton, cashier; and J. E. Medlock, C. Griffith and J. A. Byndman additional directors. This consolidation is significant, not so much on account of the size of the banks concerned, but because it is the eighth state bank to nationalize in Oklahoma within two weeks because of the deposit guaranty system being too burdensome. Financiers in the state predict that 25 per cent of the state banks will join the national ranks before the expiration of this year.

Grunberg Heads First National

David Grunberg, formerly of Buffalo, N. Y., has been elected president of the First National of Nowata, Oklahoma, succeeding W. E. Roberts, who had held the position since the

organization of the bank in 1896. Mr. Grunberg gained control by the purchase of Mr. Roberts' stock.

Indiana

M. F. Parrish was elected to the presidency of the Monroe State Bank at a recent meeting of the directors.

Edw. C. DeHority has been elected president of First National Bank of Elwood in place of Joe A. DeHority; Chas. D. Babbitt, cashier, in place of Edw. C. DeHority.

The new Jay County Savings Bank and Trust Company at Portland, has elected the following officers: John F. Lafollette as president; George H. Smith, vice-president, and Thomas W. Shimp, secretary.

Sanford M. Keltner is president, and Thomas B. Orr, vice-president of the Anderson Trust Company. The Indiana Trust Company, Indianapolis, is reported one of the correspondents.

The following officers are reported for the H. M. Lukens and Company at Evansville: C. H. Battin, president; A. W. Funkfaurer, vice-president; H. M. Lukens, and A. F. Funkhausen, secretary.

The Citizens Loan and Trust Company of Lebanon at the regular meeting of its board of directors, on Tuesday, declared a semiannual dividend of six per cent. The company is now doing business at the old Lebanon National Bank stand on the west side of the square.

The mysterious murder of Norman E. Black was recalled in the Delaware circuit court when Harry G. Black, administrator of his father's estate, reported the sale of certain corporation stock which was the property of the estate. It is set forth in the report that Norman E. Black died possessed of 48 shares in the People's Trust Company, of Muncie, of the par value of \$100 and appraised value of \$125. The administrator reported the sale of 24 shares of the People's Trust Company stock to Claire Black for \$24,000; 12 shares of stock

CHICAGO UNLISTED SECURITIES

Among the more active unlisted securities quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK
American Chiclé (com).....	230	234
American Chiclé (pfd).....	102½	105½
Am. Fork & Hoe Co. (com).....	124	126
Am. Fork & Hoe Co. (pfd).....	124	127
American Laundry (com).....	38	40
American Laundry (pfd).....	108½	110
Am. Light & Tract. (com).....	287	291
*Am. Light & Tract. (pfd).....	104½	106
Amer. Type Fd'rs (com).....	48	49
Amer. Type Fd'rs (pfd).....	100	101
Beatrice Creamery (com).....	89½	95
*Beatrice Creamery (pfd).....	89½	90½
Bordens Cond Milk (com).....	120	122
Bordens Cond Milk (pfd).....	107	109
*Butler Bros.	290	301
Cities Service (com).....	66½	68½
Cities Service (pfd).....	77	79
Congress Hotel (com).....	85	90
Congress Hotel (pfd).....	65	71
Creamery Package Co.	103½	104½
Cumberland Tel. Co.	149	151
Diamond Rubber Co.	256	258
Elgin National Watch.....	155	158
First State Pawnrs.....	110	116
General Motors (com).....	39	40
General Motors (pfd).....	76	76½
National Grocer (com).....	30	31
National Grocer (pfd).....	81	82½
National Safe Deposit Co.....	132	138
N. W. Gas Lt. & Coke Co.....	90	
North Shore Electric Co.....	85	87
Northwestern Yeast Co.....	374	376
Union Carbide Co.....	112½	113½
U. S. Gypsum (com).....	9½	11½
U. S. Gypsum (pfd).....	75	76
U. S. Motor (com).....	37½	38½
*U. S. Motor (pfd).....	71	71½
Western Electric Co.....	212	221

Miscellaneous Bonds

Auditorium 5's (1929).....		94½
Auto Elec 1st 6's (1928).....	76	78
Chicago Athletic Club 5's.....	92½	94
Chicago & Milwaukee Elec 5's (1922)....	50	53½
Chicago Sub'y 1st 5's (1928).....	25½	26½
Cicero Gas 5's (1932).....	93½	95
Congress Hotel 1st 5's.....	93½	95½
Dering Coal 5's (1955).....	31	33
Emp Dist Elec 5's (1949).....	79	81
Ill. Athletic Club 5½'s.....	90½	91½
Interstate T. & T. 5's.....	47	48
La Salle Hotel Co. 6's.....	98½	99½
North Shore Elec 5's (1940).....	97½	98½
N. W. Gas Light & Coke 5's.....	98½	99½

*Ex. Dividend.

American Telephone and Telegraph Co.

A dividend of Two Dollars per share will be paid on Saturday, April 15, 1911, to stockholders of record at the close of business on Friday, March 31, 1911.

WM. R. DRIVER, Treasurer.

in the same company to Susie Williams for \$1,200 and 12 shares to Earl Black for \$1,200. The 20 shares of stock in the Union National Bank were reported sold to Harriet M. Black for \$2,500, its appraised value.

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CAPITAL, SURPLUS AND UNDIVIDED PROFITS
\$3,700,000.00

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - - **\$1,500,000**
Surplus and Profits **500,000**
Deposits - - **21,000,000**

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GEORGE H. WILSON, Asst. Cashier **CHARLES FERNALD**, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908 \$ 9,887,954.84
February 5, 1909 11,617,691.24
March 29, 1910 15,041,357.21
January 7, 1911 16,736,997.29
March 7, 1911 21,574,956.79

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Kansas City

CENTRAL WEST LETTER

By **EDGAR P. ALLEN**

Omaha

Discussing the financial situation in the nation last week, J. N. Dolley, state bank commissioner of Kansas, said:

"Many of the large banks of the country are now undertaking an interesting campaign in the interest of educating the general public about the necessity of remedying the defects of our currency system. This campaign will be inaugurated on a large scale, and will be virtually in the hands of the national monetary commission, which has been making an exhaustive study of foreign banking systems in the effort to formulate a plan which would be favorable for adoption in the United States. It is generally believed that the proposal for the needed currency reform lately made by Senator Aldrich will be adopted in some form and there will be an earnest and strong effort made to pass some reform measures within the next year or so. It is generally recognized, however, that it will probably be difficult for the banks to persuade the people that such reforms are necessary and that in order to bring the change about they will have to show that this proposed system can be made absolutely free from political entanglements.

"The outlook for business in the United States is fairly good. Some branches of industry still report very good gains over last year, but returns as a whole are not suggestive at all of a heavy revival all along the line. The best thing about the situation is that there is very little speculation in either securities or commodities, and that there is no 'land craze' to contend with in the West. Besides this, there has been decided headway made in reducing the cost of living and the steady decrease in the price of commodities is one of the most suggestive developments of the present situation. There is no doubt whatever that the people are living more economically than they were a year ago, and that the bank position of the United States is being strengthened and that the disposition on the part of bankers everywhere is to refuse to make loans to syn-

dicates or to speculators who are conducting enterprises of any kind.

"Although there has been a good deal of talk concerning the possibility of general tariff revision, I do not believe that it will be undertaken at the special session of congress. The administration has, in fact, come out squarely against any such proposition and beyond the acceptance of the reciprocity treaty with Canada it seems likely that nothing will be done changing existing schedules. The very decided betterment in the foreign trade situation is one of the most gratifying features of the present outlook in the United States."

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Queer Case of Naftzger

Charged with having bought and sold stolen postage stamps, L. S. Naftzger, formerly president of the Fourth National Bank of Wichita, Kan., was found guilty on one count in the federal court at Wichita last week. Mr. Naftzger is reputed to be worth half a million dollars and for many years he has been a powerful financial figure in southern Kansas. Until the disclosures in regard to the stolen stamps Mr. Naftzger was highly respected with no breath of suspicion directed against his personal or business integrity. But with his confession is a story that is somewhat remarkable.

For more than twenty years Mr. Naftzger has toiled many hours each day building up his banking interests until his ambition was achieved. He was worth half a million dollars. He had set that mark and was ready to take matters easy. So far as anyone knows he had never been guilty of an illegal act. And yet at the very end of his career he appears to have entered into a conspiracy with a former chief of police of Wichita and John Callahan, for years leader of a notorious gang of bank and post-office robbers, whereby he, Naftzger, was to dispose of stolen stamps. He confessed to having sold stolen stamps but it is not believed that in the entire transaction he made a profit of more than a few hundreds of dollars. Now this man who is well over 50 years of age faces a prison for this strange transgression. Frank S. Burt, former chief of police, will escape conviction because it was his testimony that led to Naftzger's arrest and consequent confession. Callahan was also found guilty and will be sent to prison for a maximum term of ten years. Strong influence is being exerted in the hope of saving Naftzger from prison.

Good Showing at St. Joe

St. Joe, Mo., continues to make a somewhat surprising showing in bank clearings and it is the only city in the Central West that had a gain last week. Kansas City, Omaha, Wichita

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RICHARD J. FAUST, Jr., Asst. Cash.
J. FRANKLYN BOUKER, Asst. Cash.

West Broadway and Chambers Street, New York

and Oklahoma City lost ground in this respect but St. Joseph had a gain of over a million dollars over the corresponding week a year ago. Kansas City continues in sixth place having lost this position to Pittsburgh for two weeks the early part of this month.

Not Like Oklahoma

While the bank deposit guaranty law has had the tendency of causing state banks in Oklahoma to nationalize to escape the tax levy to rehabilitate the guaranty fund, in Kansas there is a tendency in the other direction. Kansas has had no serious bank failures since the bank guaranty law went into effect there, while in Oklahoma the drain has been heavy. There are 409 banks under the Kansas deposit guaranty law. Sixteen applications to come under the law have been received by the bank commissioner since the recent decision of the United States supreme court that the state has police power over the banks. A total of \$327,000 is the bank guaranty fund of Kansas. The bank commissioner has had to call upon the fund only once so far and that was because of the failure of the Abilene State Bank. The depositors were paid off at the rate of \$10 per day each until 400 were paid off, and the commissioner issued certificates drawing 6 per cent to all other depositors. About \$40,000 was needed to do this which came from the fund. The bank commissioner says that about half of the national banks in Kansas have their deposits insured under the Bankers Deposit

Guarantee and Surety Company

The Kansas banking department is preparing to issue a call under the new law recently signed by Governor Stubbs to all the companies in the state selling stocks and bonds, requiring them to file statements in detail. The law is referred to as the "Blue Sky" law inasmuch as its intention is to protect the investors of Kansas against dealers in fake securities. The state banking department will investigate every project for which bonds or stocks are offered for sale in Kansas so that prospective investors can find out all about them by writing to the bank commissioner at Topeka.

General News

The First National Bank of Hobart, Okla., has absorbed the Hobart State Bank. Dr. E. F. Dunlap is president of the merged institu-

tion; E. T. Chandler, vice-president; C. B. Sutton, cashier, and N. E. Medlock, C. H. Griffith and J. A. Hindman are additional directors. This makes the eighth state bank to nationalize in Oklahoma within two weeks because the guaranty system is too burdensome.

Three months ago four men were arrested at Marysville, Kan., under suspicion of having been implicated in the robbery of the bank at Beattie, Kan., on the night of November 8th last. One of these men, Dan Carney, was allowed to go because there was insufficient evidence against him. It now develops that Carney was probably the ring leader and he has been rearrested in Portland Ore., and will be held pending further investigation.

The Missouri Savings Bank of Kansas City will move in a few days into its handsome granite and marble home at 920 Walnut Street. This will be the fourth move of this bank within ten years but this is the first time that the bank has owned its own property. The new bank is three stories high and stands next to the fifteen story building of the National Bank

of Commerce. It will be occupied exclusively by the Missouri Savings Bank.

Among the visiting bankers in Kansas City last week were: M. F. Ward, cashier of the Bank of Commerce, Chanute, Kan., T. M. Walker, president of the Atchison Savings Bank, Atchison, Kan., C. J. Webster, president of the Night and Day Bank of Oklahoma City, Okla., A. C. Stewart, general counsel of the St. Louis Union Trust Company, and I. A. Hyde, president of the Bank of Mercer county, Princeton, Mo.

IMPROVING TOLEDO CLEARING SYSTEM

Wm. J. Wedertz, assistant cashier of the Security Savings Bank and Trust Company, Toledo, Ohio, called on the officers of the Central Trust Company of Illinois, Saturday, and in company with their representative visited the Chicago clearing house. Mr. Wedertz represents the Toledo clearing house through their committee, Messrs. R. H. Scribner, treasurer of the Security Savings Bank and Trust Company, and Chas. Tanner, assistant cashier, First National of Toledo. Mr. Wedertz visited Chicago to observe the workings of the Chicago clearing house and to secure such information as he could that would be of assistance to the Toledo clearing house in installing certain new features decided upon by the managers of the Toledo clearing house, one of which will probably be the selection of a permanent secretary. Mr. Wedertz expressed himself as well pleased with his visit to Chicago and the treatment accorded him by the Chicago bankers and representatives of the Chicago clearing house. He states that the Toledo banking situation is satisfactory. Deposits are high and rather a slow demand for money. The Security deposits at the present time are \$2,600,000.

PURCHASE OF BOND ISSUES

Harris Trust and Savings Bank has purchased the following new issues of municipal bonds: \$525,000 Tacoma, Wash., refunding 4½s dated April 1, 1911, and due in twenty years; \$100,000 Memphis, Tenn. water 4s, averaging twenty-one and one-half years from May 1, 1911; \$75,000 Grand Rapids, Mich., water extension 4s, dated March 1, 1911, and due in twenty years; \$25,000 Gaudalupe county, Tex., road improvement 5s, and \$10,000 Russ county, Wis., road and bridge 5s.

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Editorial Comment

PRIVATE BANKS UNDER STATE EXAMINATION

On and after July first of this year all of the private or unincorporated banks doing business within the state of Montana will be subject to state examination and will make public statements four times per year, all under an act of the assembly which provides penalties for all violations. The Montana Bankers Association for several years past has been agitating in favor of a law putting all forms of banking within the state under supervision and inspection. The state association went so far as to furnish a bill which passed the senate, but for which another bill was substituted in the house. This substitute bill is the one which passed. Into the new bill the private bankers of the state are said to have managed to insert quite a number of amendments favorable to their continuing in business.

Section 1 of the new law makes it unlawful hereafter for a private individual or a co-partnership, or any unincorporated association to conduct a bank without naming at least one actual and responsible member in its title. The new law will restrict private bank titles to such names as "Bank of," "Banking House of," "Banker" or "Bankers" with the name of the individual inserted. Private or unincorporated bankers in Montana hereafter shall actually own and possess approved property or assets not exempt from execution in sums varying from \$20,000 up to \$100,000 in a direct ratio to the population of the city in which the bank is located. This statement of financial condition must appear and be carried on the books of any such bank or banks unimpaired. This provision is applicable separately to each and every private bank conducted by any person, co-partnership, or association, and no asset or assets shall appear upon the books of more than one bank. This provision is aimed specifically at chains of banks which have been so largely operated in the Northwest.

Every private bank in the state will be subject to examination and visitation from the state examiner once each year, and oftener when deemed necessary by the examiner. He will exert all of his usual powers and authorities to investigate and examine all books, papers, and effects. He is empowered to learn the exact financial condition of such bank or chain of banks and may administer oaths to any person or agent conducting such private bank or banking business. All private banks in Montana will hereafter make report to the state examiner at his call. These reports are to be made under oath or affirmation and are to be as full and complete as those submitted by state banks. Furthermore the reports must be published once in a newspaper of general circulation in the place where the bank is located. The state examiner will have power under the new law to call for special reports when necessary.

In the matter of closing or taking over in-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

solvent private banks, the state examiner will work in conjunction with the governor and attorney-general. This part of the bill might under certain circumstances defeat the purpose of the act, but leading bankers of the state think that the law will be carried out according to its intention in spite of certain hobbling amendments which were inserted. However, with the agreement of the governor and attorney-general, the state examiner may act as promptly as in the case of state banks and most likely they will give him their support. Governor Norris signed the bill very promptly upon its passage and at least during his administration it will be carried out effectively. The bill provides for receivers being appointed by the courts and allows the state examiner discretion as to whether or not the bank shall be liquidated or an attempt made to bring it back to solvency. This part of the law seems to be about the same as those recently passed in South Dakota, Alabama, and elsewhere.

Any person or the members of any co-partnership or banking association or any private banker who willfully receives deposits of money, commercial or credit paper, when such person or co-partnership is insolvent, under this law will be guilty of a felony punishable by imprisonment in the state prison for a term not exceeding five years. This same penalty applies if a banker makes any false entries or exhibits any false papers with a view to deceive the state examiner. The refusal to permit examination will bring about practically all of the forces of the entire act. Such a bank will be seized by the examiner upon such refusal being made. While this new Montana law is far from being up to the quality of other state banking bills recently passed, it certainly will put all forms of unincorporated banking in the state under strict state supervision and inspection and will compel such publicity as will keep the public informed about the resources and responsibilities of private banks. To this extent it is a great advance over previous conditions in Montana and furnishes one further incentive for agitation for similar action in the states of Illinois and Iowa, and in the two or three other states where no provision has been made for supervision and publicity for unincorporated banks.

TENDENCY OF TARIFF SENTIMENT

"Tariff sentiment remains strong in Germany, where the theory of protection is credited with contributing largely to the country's progress. Belief in the wisdom of a protective policy is spreading in England also."

This is a conclusion reached by William T. Fenton, the Chicago banker, after spending several weeks in Europe. It is probable he has gauged public sentiment correctly, for it is well known that Germany's moderate protective tariff is universally credited with having greatly contributed to the prosperity there. Perhaps it is equally true that tariff sentiment is growing in Great Britain.

With such facts at hand the student of political economy will begin to wonder at the rapid development of sentiment in the United States in favor of a reduction of tariff duties.

When James G. Blaine so masterfully vanquished Gladstone in a tariff argument public opinion in favor of protective duties received new impetus on both continents. Another powerful argument was furnished about the same time when Grover Cleveland undertook to give this country a taste of free trade. How is it then that America again seems to be moving toward a sweeping reduction of the protective tariff while Germany and England are giving strong support to that principle?

Perhaps it is sufficient to answer that the United States has overdone the protection business. No doubt many of the unreasonably large fortunes owned by Americans were gained by tariff inequality and unfairness. The duties are more equable in Germany than in this country. While the wisdom of the principle is universally recognized, it has been subject to grave abuse in the United States, and this abuse may be sending public sentiment to the other extreme.

THE CHICAGO BANKER is in full sympathy with the public demand for an honest and fair revision of the tariff, but this nation must guard against the extreme of free trade. In Mr. Fenton's article last week he made it clear that the aggressive commercial spirit prevalent in Europe would be quick to take advantage of the American market were we to recklessly let down the tariff bars all at once.



NEW YORK FOR REFORM

In connection with irregularities recently discovered by the banking department of the New York state administration Superintendent Cheney is moved to recommend the extension to all financial institutions subject to state control the prohibition against loans to officers, directors, clerks or agents of a bank without the approval of a majority of the directors. He would require that reports be made to directors or trustees at their monthly meetings of all advances and overdrafts as well as of loans and discounts; and he urges that the laws be made to require the ex-

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action in January of each year of an oath from every savings-bank trustee that "he has, so far as devolved upon him, diligently and honestly administered the affairs of such corporation and that he has not knowingly violated or willingly permitted to be violated any of the provisions of the law applicable to such corporations."

There can be little doubt that, with these safeguards in existence two years ago in addition to those already on the New York statute-books, the "irregularities" referred to by the superintendent would have been prevented, and the Northern Bank, the Carnegie Trust Co. and the Washington Savings Bank would all be open and solvent and doing business to-day.

WASHING AIR FOR THE COUNTING ROOM

A part of the equipment in most of the modern banking buildings is an air washing machine. Hotels, high-class clubs, and libraries have adopted this modern convenience. The system is simplicity itself. The air washer is installed, equipped with a mechanical arrangement which produces innumerable sheets of water through which all the air for the building is pumped. There is no way for outside air to enter the counting room where this plan is in force except through these sheets of water. All of the dirt, bad odors, and other impurities are absolutely washed out of the air and it comes into the bank fresher and cleaner than that enjoyed by even the denizens of the woods or the lake resorts.

Enthusiasts have estimated that the average busy bank president will live at least ten years

longer in such an atmosphere. It also keeps the person and the clothing clean, preserves mural decorations from grime, and preserves the books and papers of the institution in a state of cleanliness almost unbelievable to those who continue to do business in the dust and soot which blows into the buildings where the washing machine has not been installed. The city with her thousands of smoking chimneys furnishes clouds of dust that are imperceptible almost, and even this form of dirt is taken completely out of the air by the modern washing device. That there may be no evil effects from dampness, the air after being washed is dried for the consumption of those who breathe it, and to better protect fine interiors and fine office equipment. So perfect is the modern arrangement that attention is required not more than once or twice a week, and no extra help need be employed when the air washing device is installed.

Another thing not to be overlooked is the elimination of disease germs. No other vehicle conveys so much disease as dust. When the dust has been entirely washed out of the air, the disease germs go with it. Those who have adopted this modern system of air purification tell us that they feel refreshed after a day's work rather than tired. Tests have been made showing that even when heavy smoke was directed into the air washer, pure, clean air came out of the other side, and all of the impurities disappeared. This air washing system should be adopted in all public libraries, banks, and in public buildings where cleanliness of the air is of great importance. It contributes to health, comfort, and

cleanliness in even degree. No modern heating or ventilating system is complete without it. It furnishes moisture to steam-heated buildings in the winter and cools and renders invigorating the warm atmosphere in the summer. Every school building in Chicago should be so equipped.

Chicago is fortunate in having a very active manufacturing firm in this particular line of business. Thomas & Smith (Inc.) of 116 and 118 North Carpenter Street, Chicago, have made over four hundred installations of air washers. Fine examples may be found in Chicago in the new City Hall and Court House, Blackstone Hotel, Peoples Gas Building, Graham & Sons Bank, Chicago Post Office, Chicago Public Library, LaSalle Hotel, University Club, Commercial National Building, Majestic Theater and in a great number of stores and churches. It also has been installed in the Municipal Building, the new Congressional Library and Treasury Building at Washington, and in practically all of the new modern office and hotel buildings erected in New York and elsewhere. A fine air washing plant has been installed in the Northwestern National at Minneapolis and in a long list of college and school buildings all over the United States. It is not necessary to wait until a new building is to be erected, for the device can just as easily be applied to buildings already in use. No case is upon record where an installation of an air washing machine has been discontinued after its wonderful benefits are known.

New York reformers are agitated over an alleged corner in prunes.

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ARKANSAS—Little Rock, April 6 and 7; Secretary, Robt. E. Wait, Little Rock.

SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.

LOUISIANA—Baton Rouge, May 2 and 3; Secretary, L. O. Broussard, Abbeville.

FLORIDA—Ocala, May 10 and 11; Secretary, Geo. R. DeSaussure, Jacksonville.

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

GEORGIA—Atlantic Beach, Fla., June 8 and 9, or Warm Springs, Ga., same dates; Secretary, L. P. Hillyer, Macon.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

CHICAGO MEN AT BANQUET

Vice-President August Blum of First National; Assistant Cashier James M. Hurst of National Bank of the Republic, and Assistant Cashier Harvey C. Vernon of Continental Commercial attended a banquet at Oshkosh Friday of last week. The occasion was the opening of the new building of Old National Bank of Oshkosh. The guests enjoyed an inspection of the fine new banking offices as well as participation in the banquet.

TALK CHEERFULLY OF TEXAS

W. H. Hurley of National Bank of the Republic has been entertaining President M. A. Traylor of First National Bank of Ballinger, Texas, and President L. E. Collins of First National Bank of Coleman. These gentlemen stated to a representative of THE CHICAGO BANKER that Texas is enjoying good times and good prospects. The western half of the state has had fine rains and will produce the greatest crops ever known there. Land selling and other lines of business are quite active.

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A TIP TO AUTOMOBILE OWNERS

A set of tire resting, tire saving jacks is about the best small investment an automobile owner can make. The Ashland Manufacturing Co., Ashland, Ohio, has put on the market a complete line of tire saving jacks. One kind is ever set, and one move of the handle lifts the car off the floor and gives the tires a rest. One kind is a storage stand at only \$2.50 for the set. Holds the car up for a week or a month or a whole winter of idleness and saves many times its cost every time it is used. There also is a perfect, quick acting jack for ordinary repair use, better than the limping, buckling things called jacks which preceded it. Remember, the price of rubber is advancing each year, and you can prolong the life of your tires at least one-third by using a set of Crown Tire Savers one for each wheel, recommended by all the leading tire manufacturers in the country. The Crown Tire Saver is quickly adjusted to any size or style of car, either under axle or hub. It has a leather faced saddle on a swing bracket, which allows it to be set in any position. Get a description of the Crown output (see advertisement in this issue) or get your dealer to furnish them to you. Address the Ashland Mfg. Co., Ashland, Ohio.

BANK SAVED FROM LOSS

To protect the Mt. Holly National Bank, Mt. Holly, Mich., from loans made by Cashier Frederick H. Lee to himself, that official has given a mortgage on his real estate holdings to the banking institution. It was said that Lee's borrowings amount to \$10,000.

At the board meeting Lee insisted upon his resignation being accepted. Several members voted not to accept it, but it was finally carried and Albert Walters, the receiving teller of the bank, was elected to fill the vacancy.

The board then made a statement to the effect that Mr. Lee's indebtedness to the bank would not exceed \$10,000; that this was amply secured by collateral and that the banks solvency was beyond question.

Some time last summer Mr. Lee presented his resignation as cashier. This was shortly after the assistant cashier, C. S. Heller, had robbed the bank of \$18,000 and fled to Germany, where he is still supposed to be in hiding.

Jacob H. Shanard, banker of Bridgewater, S. D., is dead.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

PROF. GOODE'S LECTURE

At the last meeting of the Chicago Chapter, Tuesday, March 14th, Prof. J. Paule Goode gave his stereopticon lecture on "The Age of Steel" showing the enormous advance in civilization since the art of making steel out of iron ore was discovered. In fact Prof. Goode attributes our wonderful progress during the past half century to this fact.

Prof. Goode has just received a flattering offer from the Philippine Government to investigate its harbor problem, etc. He will leave shortly for the Isles.

As arranged, Messrs. Tesmer and Grier of the Merchants Loan and Trust Company favored the boys with a song entitled "Never Again." The music was composed by Mr. Tesmer, while the words were written by Mr. Grier. Both the words and music were catchy and were worthy of many professional writers.

In the past the Chicago Chapter has had an athletic meet each spring at Bartlett's Gymnasium. This year, however, it has been decided to omit this event from the program.

C. A. PETERSON.

IMPORTANT LEAGUE MEETING

Tacoma, March 21.—The second meeting of the North Central Washington Bankers League, being the group of bankers belonging to the counties of Chelan, Douglas, Grant and Okanogan, was held in the city of Wenatchee, Saturday, March 11th, and proved to be one of the most successful and interesting bankers' meetings ever held in the state.

In addition to the regular members of the league the following bankers from outside cities were in attendance:

Walter L. Clark, auditor Spokane and Eastern Trust Company, Spokane; P. C. Kauffman, vice-president Fidelity Trust Company, Tacoma; Thomas H. Brewer, president Fidelity National Bank, Spokane; J. S. Swallow, vice-president National Bank of Commerce, Seattle; C. T. Clark, cashier National Bank of Commerce, Seattle, B. L. Jenkins, auditor Union Securities Company, Spokane.

The morning session was a routine one, being taken up with the reports of the officers, and other routine matters. After adjournment automobiles were in waiting which took the visiting bankers a ride around through the city of Wenatchee and across the Columbia River, by means of the steel bridge recently purchased by the state, and through the orchards that fill the valley. At two o'clock the regular session was held at which addresses were made by J. A. Swallow, vice-president National Bank of Commerce, Seattle, on "Present Conditions," Walter L. Clark, auditor Spokane and Eastern Trust Company on "Interior Work of the Metropolitan Bank," P. C. Kauffman, vice-president Fidelity Trust Company on "The Daybreak of a Sound Currency" being a thorough exposition of Senator Aldrich's National Reserve Association Plan, G. P. Wiley, cashier Waterville Savings Bank on "Banking as viewed by a country banker," George R. Fisher, cashier First National Bank, Wenatchee, had a very interesting paper on "Over-Speculation."

In the evening a very interesting discussion arose covering a number of important subjects

such as "Overdrafts," "Conservatism," "Protective Work," which discussion was participated in by the members present generally. Short addresses were made by a number of visiting bankers including Thomas H. Brewer, president Fidelity National Bank, Spokane, B. L. Jenkins, auditor Union Securities Company, Spokane; Bank Examiner Barber and others. As it had been announced that the bankers of Wenatchee had determined to extend an invitation to the executive council of the Washington Bankers Association to hold its 1911 convention in the city of Wenatchee, which invitation was most heartily agreed to by the Wenatchee Commercial Club, an organization with a membership of 500 in whose rooms the meeting of the North Central Washington Bankers League was held, a resolution was unanimously adopted expressing the earnest desire of the North Central Washington Bankers League that the invitation should be accepted and pledging their support to the effort made to make the 1911 convention one of the most successful in the history of the association. After adjournment the visiting bankers were the guests of their Wenatchee hosts at a splendid banquet held in the rooms of the Commercial Club. Sheriff Ferguson of Chelan county entertained the guests with a number of his inimitable stories told in a manner which has made him famous throughout the state. The banquet closed at midnight giving the bankers from the Sound time to catch the one o'clock train for home. Election of the officers of the league resulted as follows:

President, George P. Wiley, cashier Waterville Savings Bank; vice-president for Chelan county, E. F. Stowell, cashier Cashmere State Bank; vice-president, Grant county, A. L. Tucker, cashier Coulee State Bank, Coulee City; vice-president Okanogan county, Harry J. Kerr, cashier First National Bank, Okanogan; vice-president Douglas county, A. Kirkpatrick, cashier Mansfield State Bank, Mansfield; secretary and treasurer, J. M. Gangler, cashier Tumwater Savings Bank, Leavenworth.

In addition to the visitors, visiting bankers and officers named the following were present:

P. M. Snyder, manager Commercial Bank, Okonagan; O. W. Tupper and J. W. Brewer, cashiers Citizens State Bank, Wilson Creek; William G. Hughes, cashier Commercial Bank of Twisp; W. A. Thompson, president and F. G. Hamilton, cashier Farmers and Merchants Bank, Wenatchee; W. T. Clark, president, George R. Fisher, cashier, and J. D. Wares, assistant cashier First National Bank, Wenatchee, Guy C. Browne, vice-president; Charles E. Owens, cashier; F. D. Case, assistant cashier, Columbia Valley Bank, Wenatchee; F. D. Case, assistant cashier, Columbia Valley Bank, Wenatchee; F. S. Jacobsen, vice-president Tumwater Savings Bank, Leavenworth; R. B. Field, cashier Leavenworth State Bank; W. W. Downie, cashier First National Bank, Harrington; O. A. Barber, deputy state bank examiner.

The meeting was presided over by F. S. Jacobsen, first president of the league, F. D. Case, first secretary and treasurer, to whose efforts the remarkable success of the league is largely due, which was recognized by the earnest resolutions of thanks to them unanimously adopted just prior to adjournment.

PITTSBURGH HEARS DR. HUEBNER

On March 14th, Pittsburgh chapter of the American Institute of Banking was addressed by Dr. S. S. Huebner of the Wharton School of Accounts and Finance, Philadelphia, on the New York weekly bank statement.

Dr. Huebner's address was a revelation to all present, his analysis being clear and concise. Pittsburgh chapter will endeavor to have this address printed in pamphlet form for distribution.

On the evening of March 16th, about one hundred of the Pittsburgh chapter members attended a banquet in honor of the president of the National Institute, E. H. MacMichael, who is a member of this chapter.

A very delightful evening was spent; entertainment being furnished by members of the chapter, and a number of addresses were made in addition to that of the honor guest. This is the first large gathering of this kind within the chapter, and it was such a decided success that it may be an annual affair.

JOHN DEM WERTS.

BANK WITHOUT A PRESIDENT

It is now nearly two months since Valentine P. Snyder tendered his resignation as president of the National Bank of Commerce, New York, to take effect April 1st, but so far there has not been any intimation as to his successor. The banking world is naturally interested to know who is to be the man on whose shoulders the powers that be are disposed to place the responsibility of heading this great banking institution, the second largest in the country. It is characteristic of Mr. Morgan, however, to take his time about such matters. Unless Mr. Snyder's successor is chosen within the next few weeks the presidency may remain unfilled, as is the case at present with regard to another Morgan institution—the Equitable Life Assurance Society.

FORMER TELLER A PRINTER

From receiving teller in a national bank at a salary of \$1,000 a year to the position of an unpaid apprentice in a print shop, was the change made last week by Charles Schimer, formerly teller for the Minnesota National Bank, who is now on probation, following his plea of guilty to a charge of embezzling \$480 of the bank's funds.

In overalls and with grimy hands Schimer is now starting at the bottom of the ladder and expects before the year is over, to be earning more money as the operator of a linotype machine, than he ever did in the bank's employ, where he handled thousands daily. A linotype operator earns \$25 to \$30 a week.

LIBRARY FOR BANKERS

A library for the bankers of Kentucky is being established in the secretary of state's office by C. F. Ramey, chief bank clerk under Secretary of State Bruner.

Ramey is securing from the banking departments of each state and from the monetary department of the federal government all of the books, reports and other literature on the subject of banking.



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Bonds and Stocks

Stockholders of the Booth Fisheries Company met Wednesday and adopted unanimously the plan of financial reorganization. After the meeting of the stockholders the directors met and declared a cash dividend of 3 per cent on the preferred stock. The preferred issue will be placed at once on a 6 per cent dividend basis, payable semiannually. The dividend declared will be paid on March 31st to stock of record March 30th.

The new financial plan provides for an authorized issue of \$5,000,000 6 per cent debenture gold bonds, of which amount \$4,000,000 has been issued.

Sears-Roebuck common was brought actively in the Chicago market early this week and was advanced more than three points in price to 149 at the end of the session. Transactions in the stock aggregated more than 3,100 shares. A considerable part of the buying is understood to have been for people who have carried Sears for some time and have built up large margins of profit on their holdings. The range of prices since the extra stock dividend came off has made speculative buying a less formidable matter than it was when the quotations were up around 190.

Commonwealth Edison was considerably less active than it had been for some time before the increase in the dividend was announced. Quotations were in a narrow range, the closing being at 128 $\frac{1}{4}$.

Booth Fisheries preferred was run up to 82 again in the early trading, but liberal offerings of the stock broke the price back to 80. The common stock and the voting trust certificates were a fraction higher. Swift shares were in some demand and up around 101.

The acquisition of the entire capital stock and all the assets of the Northwestern Fisheries Company by the Booth Fisheries Company nearly doubles the earning capacity of this organization, making it about \$1,000,000.

It was stated that the issue of \$4,000,000 of Booth Fisheries debentures had been oversubscribed.

The only trading in the elevated road shares was in Metropolitan common and preferred and that was for small amounts without important price changes. There are still some

important details of the offer for the properties in the merger deal to be worked out.

Chicago railways 5 per cent bonds were handled in liberal amounts at 98 $\frac{1}{4}$ and a shade higher and the consolidated B bonds were firm at 84. City railway 5s had some call at 102 $\frac{3}{8}$. Metropolitan "L" extension 4s were taken at 81 $\frac{1}{2}$, that price representing an advance of 4 $\frac{1}{2}$ points in the past few weeks. Edison 5s were slightly easier.

Bankers figure in the commission appointed to take charge of the proposed art museum in Minneapolis. The banks receive the subscriptions. On the commission are W. H. Dunwoody and Judge M. B. Koon, respectively president and vice-president of the Northwestern National. On the finance committee are E. W. Decker, vice-president of the Northwestern; C. T. Jaffray, vice-president of the First National; and Perry Harrison, vice-president of the Security National.

NOTICE OF BOND SALE

The Hood River Irrigation District, Hood River, Oregon, will sell \$70,000.00 completion bonds at the office of its secretary on April 17th at 2 p. m. The irrigation district is not a Carey Act project but is organized and operates under state law practically the same as a school district. These bonds bear 6% interest, semi-annual, are retired in 20 years, and are a first mortgage on the lands of the district, and a prior lien against the lands to everything else. The District has been operating 5 years and must now complete its system. The lands within the District are mostly bearing orchards and strawberry fields, and were last year assessed for state and county taxes at \$820,701.00. Further information will be furnished by

R. W. KELLY, Secretary.

\$120,000.00 City of Elizabeth City (N. C.) Bonds For Sale

Bids will be received for the purchase of \$120,000.00 of City of Elizabeth City, N. C. Bonds, issued by the said City for Curbing and Street Paving purposes. Bonds to be in denomination of \$1000.00 or more, and to bear interest from date to run thirty years from issue, and to bear interest at five per cent, per annum, interest payable semi-annually. Bids to be accompanied by certified check for \$5000.00 payable to the City Treasurer of said City. Check to be returned to bidder in case bid is not accepted. Otherwise to become the property of said City and to be applied as payment on Bonds if the bid is accepted. Bids to be filed with the Mayor of the City on or before the 5th day of April, 1911, at eight o'clock P. M. Bids not in accordance with the above advertisement will not be considered. The right to reject any or all bids is reserved.

Z. FEARING, Mayor.

New Iowa Move

Des Moines, March 24.—Officials of the various trust companies in Iowa at a meeting in Des Moines this week, decided to organize a state association apart from the Iowa Bankers Association. It is probable that it will be known as the Iowa Association of Trust Companies. A committee on organization was named. It is composed of E. L. Johnson of the Leavitt-Johnson Trust Company of Waterloo and W. E. Coffin, president of the Iowa Loan and Trust Company of Des Moines. It is expected that a meeting will be called soon at which officers will be elected.

At the sessions held in Des Moines, James F. Toy of the Farmers Trust and Savings of Sioux City presided while H. S. Merrick, president of the Phoenix Trust Company of Ottumwa was secretary.

The officials present endorsed the bill now before the legislature giving trust companies the power to act as executors of estates or as guardians or trustees for children and estates.

At a banquet at the Savery Monday night, 144 trust company officials and legislators were present. Speeches were made by Mr. Toy, William T. Abbott of Chicago; Auditor of State H. L. Bleakly; Judge D. J. Lenehan of Dubuque; Judge Lawrence DeGraff of Des Moines; Roger Leavitt, vice-president of the Cedar Falls Trust Company; Senator Robert Hunter of Sioux City and Representative Karl Johnson of Osage.

KANSAS CITY GRAIN FAILURE

Kansas City, Mo., March 20.—Liabilities of the Perry C. Smith Grain Company, which failed on Saturday will be \$250,000. The assets are estimated at \$150,000.

Three banks in Kansas City are said to have been caught. One holds elevator receipts to secure \$120,000, another for \$40,000, and a third for \$10,000. There is a question as to the ownership of the grain.

Louis Betz, banker, addressed the St. Paul chapter at its last meeting and Elliott Hensel gave a program of readings. A nominating committee was chosen for each of two tickets to be put in the field and for delegates to the Rochester convention. The members adjourned to a cafe for luncheon.



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Democrat Plans

Washington, March 22.—Looking forward to the presentation of a bill embodying the Aldrich plan of currency reform, democrats are preparing plans of their own to be presented in opposition. It is not certain as yet whether this plan will be given an official party endorsement or whether that will be left to inference and assumption. A draft of a bill is being worked out by Senator Newlands of Nevada, and it is believed that it will get the support of many Democrats who are interested in banking and currency legislation.

The outlines of Senator Newlands' plan are indistinct thus far, but the main idea of it, as now understood, will be the establishment of a centralizing mechanism analogous in certain ways to the Aldrich plan for a reserve association. One of the distinguishing characteristics of the plan is that it will require the co-operation of state institutions as well as of national.

Other Democrats are also working upon currency plans and it is likely that several will make their appearance. One which has been presented to Democratic members of the House Banking and Currency Committee and which is apparently favorably regarded by some of these men is a scheme for a combination of life insurance with central banking. The proposition would be to give the sole power of issue to the central bank just as in the Aldrich scheme, but the stock will be held by individuals who would also be policyholders. This plan has already been developed in great detail and is being urged here by one or two southern Democrats who are not members of congress, but who are taking a vigorous interest in promoting the scheme.

The interesting feature of the currency situation is that Democrats have undoubtedly become aroused to the fact that they cannot simply rely upon opposition to the Aldrich plan but must begin to formulate a proposal of some kind that can be presented as a substitute. Such a substitute would, it is supposed, receive due consideration in congress and would relieve the party of the charge that it is not fertile in currency reform propositions. It is noted that the plans of Democratic currency reformers all seem to contain a centralizing mechanism designed to perform the same function that would be afforded by Senator Aldrich's National Reserve Association of America. It is felt that some method of bringing about association and co-operation between the banks is absolutely indispensable.

The two points at which the most criticism is visited upon the Aldrich plan, according to Democratic students of the situation, is in connection with the method of control of the institution and the ownership of the stock. The Democrats will not be willing to have the stock owned by national banks and probably not even

by national and state banks together. On the other hand, they do not appear to be willing to have the issue function as closely centralized as it would be under the Aldrich proposition. Senator Bailey has recently again declared in favor of having all paper currency issued by the government and none of the banks. How this would fit in to the centralizing plans is not known, but Senator Bailey has only a moderate following on this point.

DEATH OF EDWARD L. BREWSTER

Edward L. Brewster, who died on Tuesday, as a result of an operation last Saturday, was one of the oldest as well as one of the most highly regarded stockbrokers in Chicago. He entered the business in 1872 as a member of the firm of Wrenn and Brewster. John H. Wrenn, who retired from business the first of this year, was his partner at that time. Mr. Brewster had high ideals and high standards in business and during his career he enjoyed the confidence of many of the foremost men in the city.

POPULAR TEXAS BANKER

Joseph Hirsch, an active official of Corpus Christi National Bank, has been visiting Chicago bankers this week. Mr. Hirsch is in a position to know about affairs in Texas and declares that the state is enjoying an era of great prosperity. There is the most gratifying progress in agriculture and land development.

New Bond House

F. J. Lisman and Company of New York, with offices in Philadelphia, Hartford and Baltimore, and members of the New York stock exchange, has decided to open an office April 1st, at 184 LaSalle Street, Chicago, under the management of Frederick Carles, recently of the bond department of the Farwell Trust Company of Chicago. This is a well known firm and will add to the strength of the local situation. Mr. Carles has a wide acquaintance with Chicago investors and knows the likes and dislikes of his clients in a way which greatly increases his effectiveness.

BANKING OPINION

(Continued from page 1)

whether or not the Bible should be taught in the public schools. When the question came up for vote, Ole refused to go on record, stating that while he had heard of the book he had never read it. By unanimous consent disposition of the matter was postponed until the next meeting, enabling Ole to post up on the subject. When the time came and the final vote was taken, Ole voted in the negative and explained his action by saying that he was a patriotic citizen of Minneapolis and since the last meeting he had secured a copy of the Bible, read carefully and had noticed the word St. Paul advertised therein at least one hundred times and in spite of a thorough search he failed to find once the name of Minneapolis.

"Incidentally St. Paul and Minneapolis are great banking centers. From conversation with several bankers, I am led to believe that deposits are not now at a high water mark and that the situation in that section is one that will test the sagacity and strength of bankers and merchants. Business will be below normal during the next few months owing in part to a feeling of caution and no less to the empty granaries, hay-mows and depleted flocks and herds following a drouth in the states of Minnesota, Wisconsin and the Dakotas.

"A day was spent in a country town forty miles out, where in addition to country banking I talked potatoes, rye, barley and dairy products. Bankers expect deposits to fall off until another crop is made. The disposition is to carry farmers of standing and reputation.

"Two things new to me were brought to my attention—first, call loans, a joke in Chicago, but claimed to be a reality in the Twin cities as they are in New York. Second, Minnesota number thirteen seed corn, which it is claimed is bred up to a point where it will mature in eighty-four days, which means much to the corn grower of the Northwest. As a banker and a farmer I was deeply interested in both."

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	Arrives Minneapolis	8:05 a. m.
"Oriental Limited" . . .	Leaves Chicago	10:15 p. m.
	Arrives St. Paul	10:45 a. m.
	Arrives Minneapolis	11:40 a. m.
"Northern Pacific Express"	Leaves Chicago	9:15 a. m.
	Arrives St. Paul	10:15 p. m.
	Arrives Minneapolis	10:55 p. m.



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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Charles R. Frost, secretary of the Minnesota Bankers Association and manager of the Interstate Protective Association, has returned to his office. The significance of this statement is that Mr. Frost has been absent from his office. Several days ago Mr. Frost in a contest between a trolley car and himself was bested. The car tossed him handily several feet. Mr. Frost cries foul because he was not warned. He had to go to bed and still suffers from the shock, bruises and cuts.

North Dakota's New Law

Regarding North Dakota's new banking law Senator W. C. McDowell, chairman of the senate banking committee, father of the bill and president of the state bankers association, says:

"One of the very important results of the enforcement of this law is the fact that it will restore greater confidence to the banks. The fact that the state banking department is compelled to make semiannual examinations of the banks under the law means that the bank examiners will be in closer touch with the activities of the banks. The bank examiners, too, will be appointed to a certain district in which there will be about 100 banks, thus giving the examiner sufficient time in which to make the examination thorough.

"Under the present plan it has not been possible to keep a bank examiner in one section of the state, but under the new law, each examiner having a certain district to cover and being constantly in that district soon places him in a position to become conversant with the affairs of every banking establishment under his jurisdiction.

"I am very sorry that we are obliged to make certain concessions in the bill," continued Mr. McDowell, "but I felt, as did others interested in the measure, that there were so many exceptionally good features that we could afford to recede from some of them. I am firm in the belief that the minimum capital

stock that was proposed, that of \$20,000, was not too great, and that, had the measure been passed in that form, it would have provided even further safeguards for the people of the state.

"Then, too, there are other provisions. The one, under which the appointment of receivers for defunct banks will be placed in the hands of the state banking board instead of the district court should have the effect of securing better administration of the affairs of such institutions.

"In carrying out the provisions of this bill the expense falls entirely upon the banks. The annual inspection fees, by reason of the fact that there will be two inspections hereafter instead of one, has been increased and, had it not been for the action of the assembly in refusing to create a separate banking department, those fees would have been even higher.

Northwestern Notes

Plans for raising an additional \$25,000 of stock to float the Provident Loan Company at St. Paul have been renewed with the return of manager Arthur W. Gutridge from Pittsburgh. More than half the \$450,000 has been subscribed. The organization is anti-loan shark.

Senator M. J. McGrath has introduced a bill in the Minnesota legislature amending the banking law to make it the duty of the state superintendent of banking to judge of local need of banking facilities. The bill would regulate establishment of banks where there are banks already. The suggestion is followed in this bill of the former banking superintendent.

Legislative action is to be asked to pay \$22,000 and interest to the holder of Minnesota bonds issued by the state in 1858 and 1859 to aid in railroad construction. The bonds were repudiated. Later the legislature paid 50 per cent on the face of the securities. Mr. Temple would like the remaining 50 per cent and interest. The bill introduced provides that the

state pay interest at 7 per cent from March 15, 1859. This will be \$80,080 on the one-half unpaid of the bonds.

J. A. Latta, vice-president of the Northwestern National, and P. G. Leeman, assistant cashier of the First National, attended the annual meeting of Group Three, South Dakota Bankers Association at Watertown. Bankers who attended the meeting predicted larger acreage sown to grain than last year.

H. C. Delaney, charged with accepting deposits when he knew the bank with which he was connected was insolvent, is to be taken to Culbertson, Mont., on requisition. He has been at Williston. The point of law to be raised is that Delaney had sold out before the crash came. The prosecution says he was interested at the time.

Twin City people are having trouble with Mexican \$5 bills, worth \$2.40, which they have accepted as Canadian bills because of resemblance to that paper which passes at par in the Northwest.

The Fort Pierre National Bank, S. D., and Masonic Building is to be built by a Chippewa Falls contractor. The Wisconsin man got the contract at \$16,588.

The state board of investment has taken action on an issue of \$82,000 South St. Paul bonds originally issued in 1891 to aid in construction of a bridge. They were refunded May 1st. The state will pay 4 per cent at thirty years.

"The Capital National Bank Savings Association" has got to change its name, on invitation of the attorney-general of the state. In an opinion to Vice-President W. B. Geery of the bank he says the word savings is forbidden by statute.

Milwaukee will vote in April on issuing \$1,000,000 bonds for a terminal station.

Guaranteed
Irrigation Bonds.
Guaranteed WaterWorks Bonds
Public Service Bonds.
Municipal
Bonds.

J. S. & W. S. KUHN

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PITTSBURGH
CHICAGO
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There never has
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payment of either the principal
or interest on any bond
we have sold.

Pittsburgh

Money is more plentiful in Pittsburgh at present than it has been for a long time. While the great body of loans outstanding is at 6 per cent, there is considerable call money offering around 5 per cent. The country banks are putting out money on call here through their city correspondents, and the local banks and trust companies are well supplied with loanable funds. Requirements of security brokers are very small, and this has tended to increase the supply of money, for in times gone by a great deal of money was needed to finance stock market business. Exchanges at the clearing house reflect a good volume of general business. For February they were \$180,801,659, which compares with \$184,631,310 in February of last year.

The twenty-eight Pittsburgh national banks show total deposits as of March 7th, of \$211,936,408, compared with \$198,479,735 on January 7th, and \$194,425,382 on March 24, 1910.

Stockholders of the Union Switch and Signal Company, at the meeting Tuesday, adopted the profit sharing plan. The resolution adopted authorized directors to set aside, sell, or otherwise dispose of 2,000 shares or any less amount of the authorized and unissued common capital stock (being a portion of the increased capital stock authorized at the meeting of the stockholders December 14th) to or for the benefit of such employees whether stockholders or not (excluding directors and general officers) as the board shall deem proper, at such price, not less than par, and upon such terms and conditions and in such manner as the board shall from time to time deem proper. Directors of the Union Switch and Signal Company were elected as follows: John F. Miller, George Westinghouse, William McConway, George C. Smith, Thomas Rodd, H. G. Prout, and James P. Donnell. Officers were re-elected.

Stockholders of the Colonial Trust Company voted Thursday for the segregation of the Colonial group of financial institutions. The officials received sufficient proxies from stockholders to take favorable action on the proposition. The Colonial Trust Company owns the Columbia National and the Germania Savings Banks.

The Colonial is capitalized at \$4,000,000. The capital will be reduced to \$2,400,000, the reduction being accomplished by a pro rata distribution of Columbia National and Germania Savings shares. In the exchange of stocks the following values are placed on the shares: Colonial, \$200; Columbia, \$240, and Germania, \$621.

The Colonial also controls the Freehold Bank, and since its incorporation in 1902 absorbed the following institutions: American Trust, Pennsylvania Trust, City Trust, Colonial National and Tradesmen's National. With the plan just approved in operation the Colonial

Trust, Germania Savings and Columbia National will be conducted as separate institutions.

Something in the nature of a sensation was sprung Tuesday at the annual stockholders' meeting of the Pittsburgh Coal Company in Jersey City by Attorney J. W. Kinnear, of Pittsburgh, representing W. M. Parkin, also of Pittsburgh, a stockholder, when he charged in effect that the United States Steel Corporation is receiving coal from the company at a cost much less than the expense of mining the fuel. It was stated that Mr. Kinnear's charges and questions were satisfactorily answered by officers.

Johns McCleave, a well known attorney and a director of the Union National Bank of Pittsburgh, died on Tuesday at Atlantic City, whither he had gone in search of health.

The supreme court of Pennsylvania has rendered a decision on the petition for a change of venue on the part of F. N. Hoffstot. The decision is that he must stand trial in Allegheny county, on charges of bribery and conspiracy in connection with the passage by Pittsburgh councils of an ordinance for the selection of city depositories.

Third National of Pittsburgh has mailed the following announcements: "The board of directors of the Third National Bank, Pittsburgh, takes pleasure in announcing that Mr. William McK. Reed has been elected president of this bank. Mr. Reed resigned as assistant cashier of the First National Bank on January tenth to accept this position."

STEEL TRADE FAIRLY ACTIVE

The various steel companies continue to report a good run of new business. The United States Steel Corporation, it is estimated, is receiving new business at the rate of between 37,000 and 38,000 tons a day. Most of the business received is for light finished products. The demand for heavy steel, including rails, structural shapes, etc., continues light. For example, the Illinois Steel Co. is operating less than 50 per cent of its maximum capacity.

Should the railroads begin to place normal orders it would not be long before the heavy steel mills are operating full time.

The American Steel and Wire Co. is doing the largest business in its history.

Rail orders during the past week were small, but a large tonnage is under negotiation. The United States Steel Corporation disposed of a total of about 18,000 tons.

The Illinois Steel Co. booked orders for 13,000 tons. The Carnegie Steel Co. sold 3,000 tons to the Ocala Northern, and the Tennessee Coal and Iron Co. 1,600 tons, of which about 1,000 tons go to Vicksburg, Shreveport and Pacific.

THE HANCHETT BOND CO., Inc.

L. A. TROWBRIDGE, President WM. F. HANCHETT, Vice-President

CITY SCHOOL COUNTY DRAINAGE **BONDS**

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Philadelphia

A special meeting of the Textile National Bank stockholders has been called for April 19th to vote for or against an increase of \$100,000 in the capital stock. The present capitalization is \$200,000. The Textile National is six years old. An official of the institution explained that the only purpose of the proposed additional capital was to keep pace with the increasing business.

Joseph C. Mullen, formerly the paying teller of the Western National Bank, who pleaded guilty to stealing \$7,000, was sentenced to serve five years in the Federal prison at Atlanta, Ga., by Judge McPherson, sitting in the United States District Court, on Thursday last. The company which went on Mullen's bond made restitution to the bank.

Savings banks in Pennsylvania will be permitted to establish life insurance departments and to grant annuities if Representative Reyburn's bill before the legislature is made a law. The limit of the amount of insurance to an individual is \$500 and no annuity above \$200 can be guaranteed to any one person.

Within two months the banks of Philadelphia increased their holdings of investment securities by \$1,851,451, bringing the total close to record figures, the aggregate standing at \$31,949,280.

Banks of Philadelphia earned nearly 20 per cent upon their capital during the period covered from March 29, 1910, to March 7th this year. The total earned was \$4,522,272, which compared with \$4,023,482 in the nearest correspondent period of April 28, 1909, to March 29, 1910. With two exceptions the net profits were the largest yet recorded. More than half the sum earned went to shareholders, \$2,469,000 going out in dividends, the balance, \$2,053,272, being credited to surplus and undivided profits, bringing the latter up to the unprecedented total of \$41,997,666.

NATIONAL BANK EXPANSION

Washington, March 22.—Reports of conditions of national banks, made in response to the comptroller's last call on March 7th, continue to show a gradual expansion with a slight tendency to curtail national bank circulation. The New York banks appear to have a substantial reserve piled up over the requirements of law.

The contraction of national bank circulation is reflected in deposits of lawful money in the treasury to retire the bank currency. The banks are about \$6,000,000 ahead of the treasury in the redemptions, and treasury officials believe that much of the national bank circulation now being retired will not be seen again until the crop moving season in the fall.

The large redemptions are held to indicate a general movement of money from the interior to the central reserve cities, particularly to New York.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, March 22.—Edwin T. Coman, head of the Old National Bank, who was elected president of the Spokane chamber of commerce on March 14th, to succeed Charles M. Fassett, resigned, to become commissioner of public utilities under the new form of municipal government, has accepted the chairmanship of the greater Spokane committee, which will soon launch the most comprehensive industrial movement yet undertaken for the upbuilding of Spokane and the Inland Empire. A fund of \$60,000 will be raised at once for this work.

The features of the 1911 campaign are the establishment of an industrial department and convention bureau, furthering the freight rate case and maintaining a permanent exhibit of the resources of the Spokane country. Other bankers identified with the committee of 81 are: A. F. McClaine, president of the Traders National; Thomas H. Brewer, president of the Fidelity National; James C. Cunningham, secretary-treasurer of the Union Trust Company; Julius Galland, Northwest Loan and Trust; William Huntley, president of the Farmers and Mechanics; J. Grier Long, president of the Washington Trust Company; J. W. Hughes, cashier of the Farmers and Mechanics; F. M. March, president of the Bank of Commerce, and R. Lewis Rutter, secretary of the Spokane and Eastern Trust Company. R. Insinger, manager of the Northwestern and Pacific Hypotheekbank, is vice-chairman. Ren H. Rice is secretary, with headquarters at 216 Hutton Building.

May Change Tax System

Bankers in Spokane are of the opinion that the decision of the supreme court of the United States, upholding the validity of the corporation tax, has opened the way for radical changes in the taxation system. W. D. Vincent, cashier of the Old National Bank said that one beneficial result of the corporation tax will be to hold corporations closer to a strict business basis. This checking up every year, he added, will give them an opportunity to know better their condition. The reports are strictly confidential, but it will have a good effect.

Idaho Resources

R. Cushing Moore, state mine inspector of Idaho, says in his annual report, just issued, that Shoshone county, in the Coeur d'Alene district, produced gold, silver, lead, copper and zinc of a value of \$15,275,024 in 1910, as against \$13,723,105 in 1909. Lead was the principal product, being estimated at 229,950,506 pounds, valued at \$10,348,177.80. The state's output, including the foregoing, was \$17,135,695.90 and \$210,000,000 since the beginning of operations in 1885.

Miscellaneous News

George Palmer, president of the La Grande National Bank at La Grande, Ore., has resigned to devote his attention to the lumber business. He is succeeded by Fred Holmes,

president and manager of the M. and M. Company. Will J. Church is vice-president.

Directors of the Weber Bank of Wardner, Idaho, have elected these officers: President, J. H. Weber; vice-president, P. P. Weber; cashier, T. R. Jones; assistant cashier, W. A. Barte. After paying a substantial dividend there was \$3,000 surplus, which gives the bank a capitalization of \$23,000.

Reports of the First National Bank and the Bank of Pasco, Wash., show total resources of \$411,718.29, divided as follows: Loans and discounts, \$222,887.17; bonds, warrants and other securities, \$53,645.22; banking houses and fixtures, \$24,755.46; cash on hand, \$27,203.00; deposits, \$193,052.90.

S. A. Anderson, cashier of the Scandinavian-American Bank of Spokane, has resigned, and is succeeded by Oscar Lawson, formerly cashier of the First National Bank of Troy, Idaho. Mr. Anderson made a strong race for a commissionship at the recent municipal election.

Conner Malott, manager of the mortgage department of the Spokane and Eastern Trust Company, says there is an unusual demand for large farm loans at rates ranging from 6½

to 8 per cent. The crop outlook is bright, due to climatic conditions, he adds, and bankers believe the Inland Empire will at least produce an average crop this season. Farmers say the grain, grass and fruit yield will reach the \$100,000,000 mark.

W. S. Finney, formerly employed by the Old National Bank, who went to Sandpoint, Idaho, two and a half years ago, has resigned as cashier of the First National Bank there to open a bank in the Puget Sound Country.

Thomas H. Brewer, president of the Fidelity National Bank, was elected vice-president of the Spokane Y. M. C. A., on April 13th. James C. Cunningham, secretary-treasurer of the Union Trust Company, was chosen a member of the board of trustees. Robert B. Paterson, a millionaire dry goods merchant, is president.

BANQUET OF WESTERN MEN

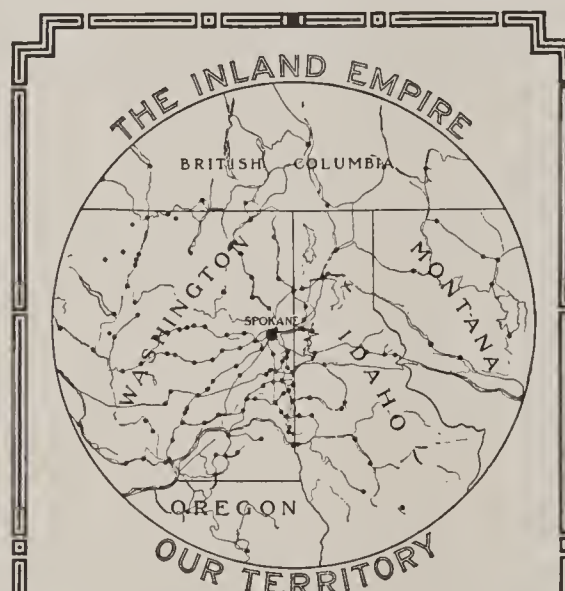
North Central Washington bankers league closed its annual meeting at Wenatchee with a banquet the evening of March 12th. The speakers were P. C. Kauffman, president of the Fidelity Trust Company, Tacoma, and secretary of the Washington State Bankers Association; George P. Wiley, Waterville; J. L. Swatwell, cashier of the National Bank of Commerce, Seattle, and George R. Fisher of Wenatchee. These officers were elected: president, George P. Wiley, Waterville; vice-president Chelan county, E. F. Stowell, Cashmere; vice-president, Grant county, L. A. Tucker, Coulee City; vice-president Okanogan county, Harry J. Kerr, Okanogan; vice-president Douglas county, A. Kirkpatrick, Mansfield; secretary and treasurer, J. M. Gangler, Leavenworth. The state association was invited to hold its next convention at Wenatchee.

PROFITS IN POSTAL DEPOSITS

What profits can be derived from postal savings deposits? On this subject Folsom and Adams of New York have prepared very elaborate calculations in the preface to which they state:

"The installation of postal savings depositories under the act approved June 25, 1910, has brought forth numerous inquiries. Many requests have been received for information concerning the profit to be derived by banks designated as depositories for postal savings funds.

"We have, therefore, prepared a calculation which appears on the next page. The example is based on \$100,000 Porto Rico 4s due January 1, 1925. The profit from a larger or smaller deposit would be proportionate. The increased income over that to be secured by loaning the net cost of the bonds at 5 per cent is \$1,219 per annum. The Porto Rico 4s are generally serial. They mature from January 1, 1912, to January 1, 1933. We have selected for the tables those maturing in 1915, 1920, 1925 and 1930 as fairly representative of the profit to be derived, when used in this connection."



Direct Connections

with every point indicated on the above map reflect this bank's facilities for handling items payable in the Inland Empire. This extensive representation, unequaled by any bank in the West, should appeal to all banks desiring a prompt clearance of all out-of-town items, and seeking to avail themselves of a liberal and constantly growing list of par points. Your business invited

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D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

**The Old National Bank
OF SPOKANE**

The Acme Air Purifying and Cooling System

Is installed in the following up-to-date banks

Continental & Commercial National Bank, Chicago, Ill.
Corn Exchange National Bank, Chicago, Ill.
First National Bank, Chicago, Ill.
Importers' & Traders' National Bank, New York City
Bank of Commerce, Kansas City, Mo.
First National Bank, Kansas City, Mo.
Farmers' & Merchants' Bank, Minneapolis, Minn.
Northwestern Bank Building, Minneapolis, Minn.
First National Bank, Cleveland, Ohio

Guardian Trust Building, Cleveland, Ohio
First National Bank, Boston, Mass.
Old Colony Trust Building, Boston, Mass.
Suffolk Bank, Boston, Mass.
First National Bank, St. Paul, Minn.
Laclede National Bank, St. Louis, Mo.
Land & Title Building, Philadelphia, Pa.
National German-American Bank, Wausau, Wis.
Nova Scotia Bank, Toronto, Ont.

Western German Bank, Cincinnati, Ohio

WASHED AIR eliminates redecorating, cleaning and dusting, increases the efficiency of your employees, and sweetens the disposition of your clients
Write for particulars and 80 page booklet

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NOW READY

American Railways as Investments

By CARL SNYDER

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Their capitalization, condition, recent improvements, resources, future, range of market prices, yield to the investor, etc.

This is a work designed for the Investment Banker and Broker and more especially still, for the general investor himself. It is practical, not theoretical, and presents a comparative and historical analysis of nearly 100 of the important railway companies of America.

Price, \$3.20 net; by mail, \$3.52

THE CHICAGO BANKER

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—just so long will

CALENDARS

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POST CARDS
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NATIONAL COLORTYPE CO.
CINCINNATI . . . OHIO

San Francisco

Prof. B. C. Jones of the University of California is delivering a series of four lectures on banking up before the local chapter of the American Institute of Banking on the evenings of March 23d, 30th and April 6th and 13th.

George L. Wells, Pacific Coast representative of the National Bank of the Republic, Chicago, has arrived in town from Honolulu on his return to Chicago.

The Associated Savings Banks of San Francisco, at the annual meeting received reports and elected the following officers for the ensuing year: President, R. M. Tobin; vice-president, G. Tourney; secretary-treasurer, J. S. Drum; assistant secretary, F. H. Colburn. The following 11 banks, with an aggregate capital, surplus and deposits of over \$165,000,000, are members of the organization: Bank of Italy, Columbus Savings and Loan Society, French-American Bank of Savings, German Savings and Loan Society, Hibernia Savings and Loan Society, Humboldt Savings Bank, Italian-American Bank, Mission Savings Bank, Mutual Savings Bank, Savings Union Bank of San Francisco and Security Savings Bank.

Irving H. Sanborn, until recently note teller in the American National Bank of San Francisco, has been elected assistant cashier of the First National Bank of Oakland. Mr. Sanborn has been prominently connected with the American Institute of Banking, at one time holding the office of treasurer of the national organization.

Some of the larger savings banks and trust companies in California have decided to discontinue the making of building loans, it is said, if the proposed mechanics' lien law now before

the legislature becomes a law in fact. The contention of the banks is that all protection to the lender of money for building purposes is destroyed by a provision in the measure which makes claims for labor and material the first liens upon the building and property. Under the present law the mortgage building loan is the first lien upon the building.

Secret service agents have located in San Francisco a band of five counterfeiters whom they have been chasing from place to place over the continent for some months. The gang began their operations in the East, and a short time ago they appeared in Sacramento, where they were successful in disposing of a number of counterfeit bills. The spurious greenbacks are said to be cleverly executed and difficult to detect.

Seattle

J. C. Norman has been promoted by the directors of the Dexter Horton National Bank to be assistant cashier, succeeding Guy F. Clark, who this week entered upon his duties as cashier of the National Bank of Commerce.

Seattle voters last week declared in favor of the adoption of the system or plan of a city electric railway on Rainier Avenue and other streets and assented to the incurring of a general indebtedness therefor of \$800,000 for the purpose. This was the declared estimate of the project's cost. The bonds are limited to 4½ per cent interest and are to run 20 years.

Some of the new laws of interest to bankers follow: Making Monday following a legal holiday also a holiday; new insurance code; permitting foreign trust companies to loan money; requiring that school warrants be presented to auditor for registration.

Los Angeles

Charles E. Greene, former cashier of the Merchants National Bank of this city, has been appointed examiner on the staff of State Superintendent Williams. Mr. Greene will have offices in this city. J. H. Ramboey succeeds Mr. Greene as cashier of the Merchants National. H. H. Martin and O. A. Cox have been chosen assistants.

J. O. Moore, formerly teller in the National Bank of California of this city, has accepted the position of assistant clearing house examiner for Los Angeles banks. G. C. Bradley has been chosen to take Mr. Moore's place as teller.

Ralph E. Dobbs, cashier of the Equitable Savings Bank of this city has been appointed State Bank Examiner by State Superintendent Williams. Mr. Dobbs will be stationed in San Francisco. No one has yet been chosen to fill Mr. Dobb's vacated position at the Equitable Savings.

G. S. Pickerell has been appointed assistant cashier of National Bank of California; and J. H. Booge has been appointed assistant cashier of First National of Pasadena.

A HARRIMAN NATIONAL FOR NEW YORK

A charter for The Harriman National Bank of New York, organized by the family of the late E. H. Harriman to perpetuate his memory, was issued at Washington on Monday. The Day and Night Bank of New York will be absorbed. Joseph W. Harriman, a nephew of the late Mr. Harriman, will be president of the new bank.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
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J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877. As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. PERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agent for National Banks

BOOTH FISHERIES STOCK

The First Trust and Savings Bank is paying off the Booth Fisheries Company debenture 5 per cent bonds at par and exchanging the common voting trust certificates for common stock.

PURCHASE OF SCHOOL BONDS

Bedford, Ind., school bonds to the amount of \$40,000 were contracted for recently by the Hanchett Bond Company of Chicago at a premium of \$735.

STEEL RAIL ORDERS

The Great Northern has ordered 10,000 tons of standard rails from the Illinois Steel Co.

Des Moines, March 22.—Iowa bankers are aroused over a bill which has been introduced in the legislature by the ways and means committee of the senate and the house. The bill is intended to knock out the present tax on moneys and credits and provide a five mill flat rate instead. Bankers do not object to this but on the other hand it is what they have been seeking. However Section 2 of the bill provides as follows: "Section 1311 of the code is hereby amended by adding thereto the following words: Provided, however, that no deduction for debts shall be allowed from the shares of stock of any state, savings or national bank or loan and trust company, nor from moneyed capital used in competition with banks."

It is this clause that has stirred up the bankers and it resulted in a meeting of a number of leading men of the state in Des Moines last week. These bankers appointed a committee to send out circulars urging bankers to get busy and use their influence in putting the obnoxious section to sleep. The committee consisted of A. H. Gale and C. H. McNider of Mason City, John Blair of Des Moines and F. M. Hopkins of Guthrie Center. The bill was on the calendar for Friday but it provoked such a tempest that it was put over until Wednesday. Bankers show that the refusal to permit them to deduct indebtedness would add to the taxes of banks to an unreasonable degree.

Other Legislation

Considerable other legislation of interest to bankers is now pending. The bulk sales bill which forces retailers to give proper notice of an impending sale of stock to wholesalers was defeated in the house but later reconsidered and passed. The house of representatives passed the Moore bill providing that the treasurer of state may invest the state funds in banks outside of Des Moines providing they give proper securities. There are several rigid requirements exacted of the various banks before they can get the money. When the senate killed the bill to abolish the office of school treasurer, Senator Hammill put in one to require school treasurers to place the school funds at interest. This has not been acted upon as yet. The senate banking committee has recommended for passage the Smith bill making bills of lading negotiable. Under the measure, all bills of lading are made out to the order of the shipper and all shipments must be paid for before being received. Railway companies fought the bill two years ago but did not oppose it before the committee this year.

Representative E. R. Moore, a banker from Cedar Rapids, has introduced a bill providing for a reorganization of the state banking department. The state auditor is given power to appoint six or more state bank examiners. One is to be the chief bank examiner who is to have charge of the department at \$2,400 per year. He shall direct the other examiners who will draw \$2,000 per year. The bill provides that the following scale of fees shall be paid for examinations: \$25,000 or under capital stock, \$15; \$25,000 to \$50,000, \$25; \$50,000 to \$100,000, \$50; \$100,000 to \$150,000, \$80; \$150,000 to \$300,000, \$100; over \$300,000, \$150.

Strength of Banks

Secretary Hall of the Iowa Bankers Association

has made some interesting compilations as to the investments of Iowa banks. Mr. Hall has found that the state and savings banks have in capital, surplus and profits \$47,006,472. The national banks have \$27,608,826. It is not possible to ascertain accurately what the private banks have but Mr. Hall has computed that the amount is \$11,340,450 which is probably very nearly correct.

Sheldon is laying claim to the fact that it is the only town of 3,000 population in Northern Iowa that has a million dollar bank. The institution is the First National which reports an increase in deposits of \$130,000 since January 1st and now with deposits of \$810,000 it has total resources of \$60,000 over the million dollar mark. The bank shows capital and surplus of \$147,000. The bank makes a remarkable showing and there are few institutions in Iowa in a town of the same size that can make a better. F. E. Frisbee is president; J. H. Archer, vice-president; F. W. Bloxham, cashier; F. L. Barrager, assistant cashier.

Seeks Smooth Swindler

Secretary Hall of the Iowa Bankers Association is making desperate efforts to locate one Henry Russell alias W. C. Williams who is said to be about the smoothest forger who has worked in Iowa in many a day. Williams is an ex-newspaper man. He represents himself to be a piano salesman and produces check paid for a piano. "I am buying a piece of property in this city and I want to pay \$100 down," he tells the banker. Then he flashes the check, secures the money and disappears. Russell works with larger checks and has secured \$375 or \$400 in each of the following Iowa cities. Sioux City, Ames, Albia, and Atlantic. Russell is said to have a wife in Des Moines who travels with him.

Currency Reform

Iowa bankers have been interested in a speech by former Congressman Dawson of the second Iowa district before the bankers of Baltimore and Washington in which he emphasized the need of currency reform. Inasmuch as Mr. Dawson is now settling down as the president of a bank at Davenport, he will have occasion to study these needs at closer range. In the course of his remarks at Baltimore, he said, "We tolerate a financial system which fails utterly when any unusual demand is made upon it," which is certainly evidence that Mr. Dawson believes there is room for improvement.

No Word of Penfield

Banker Penfield, the missing president of the Bank of Kelley, cannot be located. There has been no trace of him since he was seen in Chicago the night he fled despite a reward of \$5,000 that has been hung temptingly before detectives. The American Bankers Association has taken up the case. An examination of the books of the bank shows that there is very little left with which to make an attempt at satisfying the claims of the depositors.

Iowa Miscellany

Frank Winters indicted for forgery some months ago was found guilty in the courts at Des Moines on a second trial. At the first hearing, Winters was found insane and sent to a hospital where he remained until cured.

The fact that Iowa has no law guaranteeing

bank deposits almost lost the funds of the Iowa Mine Workers for the banks of this state. The miners, in convention at Des Moines took up the question of removing their money, \$366,000, from Iowa banks to the institutions of Oklahoma so as to avail themselves of the famous statute there. The discussion was somewhat heated but the Iowa champions won out by a vote of 192 to 143.

The Des Moines school board will sell \$210,000 in bonds in May. The bonds will consist of \$35,000 in one issue and \$175,000 in the other.

The Farmers State Savings at Mount Ayr has made application to be converted into the First National. The capital stock is \$25,000.

The Cedar Rapids Clearing House Association entertained the Marion bankers at a dinner at the Hotel Montrose one night recently. George M. Reynolds of Chicago was the guest of honor. He spoke upon "Impending Financial Legislation and the Duty of Capital to the Public."

Application to organize the First National at Dexter has been made to the comptroller of the currency. The capital stock will be \$25,000. A. T. Percy, B. F. Myers, M. F. Palmer, F. F. Winsell and B. C. Hemphill are the organizers.

Recent visitors in Des Moines included President A. M. Thatcher of the Luther Savings; President John McHugh of the First National, Sioux City; President E. T. Dufur, First National of Diagonal; President E. D. Baird, Bank of North English; Vice-President H. V. West, First National, Sumner; President J. A. Brown, State Bank of Chariton; President Parley Sheldon, Story County Bank of Ames; President W. V. Greeley, Union National, Ames.

CLOTHES HELP MAKE A MAN

From a Cedar Rapids paper comes a story that two local men (bankers), whose first names are John got into a peck of trouble at Vinton Sunday evening through being enthusiastic pedestrians.

Neither of these two men look the least bit suspicious. Instead they are dressy looking fellows who wear collars in a way that is the despair of the rest of the crowd. Both are in the same bank, one being cashier and the other assistant cashier.

Lately both have become enthusiastic pedestrians. On every possible occasion they walk. The subject is the one they talk about.

Saturday the two men made arrangements for a trip to Walker Sunday. They had agreed to walk the distance from Vinton. But writing checks and cashing them is not productive of much muscle so they finally backed down on walking the entire distance. One of the parties telephoned ahead to a livery man to meet them about half the distance from Walker to Vinton. The liveryman thought things looked fishy. He was on hand, however. They agreed with him that he was to drive them back the half way in the evening. That doubled the liveryman's suspicions so he made them put up the money for the distance they had been carried.

In the evening when he left them about half way between Walker and Vinton he telephoned the sheriff of Benton county and the town marshal. A good crowd was waiting for the two men when they arrived. So was the sheriff and the city marshal. The two men tried to explain. But they had not dressed up much in anticipation of the walk. Their appearance did not carry out the story that they were employed in banks at Cedar Rapids.

Then to cap the climax, they met a friend. He could not for the life of him remember what their last names were. But he knew the front name of each was John.

The sheriff telephoned to the police here. The police said there were two men by that name. But then came the rub. The police knew each man as most neatly and carefully dressed. As being so clean that a smudge of dirt on either one's face would create almost a panic. The description from Vinton did not fit the men.

Finally they do say that a cashier of a bank in Vinton was routed out. After John Burianek had carefully washed and combed his hair and John Ely had hidden the dirty collar the Vinton man recognized them. They caught the train to Cedar Rapids. Next time they start out it will be different.

DECISION ON BOND TAXATION

Millions of dollars worth of bonds issued by municipalities in territories of the United States, purchased by thrifty investors in the belief based upon eminent legal advice that they were on the basis of government bonds and untaxable by states, are now taxable, at least as to banks, trust companies and savings banks, according to a decision rendered by the supreme court of Minnesota.

The case was The State, respondent, vs. The Farmers and Mechanics Savings Bank of Minneapolis, appellant. The decision affirms that of Judge John Day Smith in the Hennepin district court when the state sued the bank to recover certain taxes which the bank refused to pay in 1908. It is estimated that \$500,000 worth of the securities affected are held in Minneapolis.

In a syllabus the court holds that a tax upon the surplus on which savings banks are taxed is a tax upon the property and not upon the franchise to exist as a corporation, which is a contrary view to that taken by the state's lawyers in the case. It further rules that bonds issued by the municipalities of the territories of the United States are taxable and must be taken into account as part of the assets for the purpose of determining whether there is a surplus.

The second point in the test case in which the bank's counsel, Claud B. Leonard, contended that a tax on mortgages under the savings bank tax law of 1907 in addition to the registry mortgage tax was double taxation and also class legislation, in conflict with the federal constitution, in that private holders of mortgages were immune from the second tax on them, brought a decision in direct opposition to Mr. Leonard's opinion.

Following is the syllabus in the case:

"Section 839, R. L. 1905, provides for the taxation of savings banks by deducting the sum total of the deposits and accounts payable from the sum total of the assets including personal property appertaining to the business, and the surplus, if any, is listed and assessed as credits according to the provisions of section 835, R. L. 1905. Held, the tax upon the surplus is a property tax and not a tax upon the franchise to exist as a corporation.

"Municipal bonds issued by the municipalities of the territories of the United States are not exempt from taxation in the hands of savings banks, and all such bonds must be listed and taken into account as a part of the assets for the purpose of determining whether there is a surplus.

"Chapter 326, laws 1907, which requires savings banks to pay a registry mortgage tax upon mortgages owned by them, without exempting such mortgages from taxation otherwise, is not class legislation nor in conflict with section 1, article 14, of the federal constitution."

Third National of Bloomington is in voluntary liquidation.

Plea for Safety

Albany, N. Y., March 22.—Superintendent O. H. Cheney of the state banking department, in his annual report to the legislature on savings banks, trust companies, safe deposit companies and miscellaneous corporations, calls attention to the almost unbroken decrease annually during the last twenty years in the percentage of surplus on market value of investment to deposits in the savings banks of the state, such percentage to-day being less than one-half of what it was in 1890, and declares that the situation deserves careful consideration.

Superintendent Cheney quotes from his annual report of a year ago on the subject, when he said: "The safety of our savings banks is indeed undoubted, and there can be no successful challenge of the principle that every dollar of net earnings that can be so apportioned with prudence should be distributed to depositors, for whose sole benefit the savings banks have been established. But the qualifying words, 'with prudence,' deserve to be emphasized. Absolute safety of savings funds should always be the primal consideration. The surplus of a savings bank represents its margin of safety. Moreover, surplus adds to the earning power of the bank, and the statute itself guards that surplus with jealous care by permitting no part of it to be paid out in dividends until it reaches fifteen per cent of the amount due depositors. It cannot be overemphasized that the management of every savings bank whose deposits are increasing should carry proportionate sums to its surplus fund at every dividend period."

Continuing, the superintendent says: "The occurrences of the past year and existing conditions in the financial and economic world have not detracted from but have further emphasized the words of caution contained in that statement. While there may be no immediate danger, the situation is such that it deserves and is receiving the careful consideration of the most thoughtful and conservative men connected with the savings bank system of the state. Various remedies have been suggested. In fact it has been proposed to arbitrarily limit by statute the interest or dividend paid depositors with savings banks to fixed rates proportionate to surplus already accumulated. The purpose, of course, is to build up a sufficient surplus to protect depositors against loss, and this end might possibly be served by the enactment of a law requiring every savings bank of this state to set aside to surplus before the declaration of dividends to depositors a certain percentage of its net profits for the period until such time as its surplus based upon market values shall be equal to at least five per centum of its deposits, and a less percentage until its surplus based upon market values shall be equal to at least ten per centum of its deposits. The problem under existing conditions is so complicated by various considerations, and so many of the best minds of the state familiar with all its intricacies are engaged in its solution, that I shall refrain at the present time from making any express recommendation, but I do bespeak for this plan or some modification of it your very serious consideration."

Ex-Governor Charles N. Haskell, of Oklahoma, conducted his own case in the federal court at Vinita, last week in a suit brought by the Columbus Savings and Trust Company, of Columbus, O., to recover \$14,000 on a note given in 1903 by Haskell and his wife. The trial was full of technicalities but was conducted very skillfully by the defendant who alleged fraud in the transaction. Haskell lost the suit.

BANKERS AID CONSERVATION MOVE

(Continued from page 5)

During the last ten years, acreage of cultivated land increased 23 per cent; production increased 36 per cent; but consumption increased 60 per cent. In other words, population or consumption increased in ten years almost three times as fast as acreage and almost twice as fast as production.

We have been spoiled with an over rich soil, which at first, and for many years, gave us most profitable returns, even with careless, wasteful and unintelligent methods of cultivation, fertilization, seed selection, etc., until many of the New England sections will not repay the cost of seeding and harvest, and many of the western states and our own Illinois are on the wane.

Some one has said, "the best product of the prairies is not corn, but men, and the quarter-section that produces a thinking man, full fledged in all his powers, may well be held to have performed its mission."

But even these prairies have not produced a bumper crop of thinking men, else these men would have better treated and nurtured the soil from which they sprung or not given heed to the lure of the city.

Truly, the greatest thing we can produce is thinking men, with full fledged powers, and many of the greatest of these came and come from these quarter-sections, but these thinking men, you, we, must fertilize and farm the soil with our brains, or help in the great propaganda of saving the soil and its fertility, in spreading the gospel of, and enacting laws for, vocational education, in seeing that our country schools teach the children the beauties and necessities, the elements and science of agriculture, of seed selection and crop rotation and fertilization, to the end that as the yield of corn increases, so also will the yield of thinking men and women, full fledged in all their powers, for upon them depends, not alone our commercial and financial strength, as a nation, but, their preponderance in political power is the safeguard of the nation, as opposed to the sinister congestions in the centers of population.

Since 1873, Belgium has required every school in the kingdom, to maintain a field not less than thirty-nine and one-half square rods, for the purpose of instructing the pupils in this most important work, and here is where the work shall begin in all agricultural communities, with its culmination in the agricultural departments of the state university.

The states of Minnesota and Wisconsin are doing great work in this line of compulsory agricultural educational work, while with us, practically nothing is being accomplished in an educational way to interest children in the farm and farm life or any branch of agriculture.

Many of the rural school teachers come from the larger cities and are out of touch and sympathy with rural and agricultural conditions.

In the matter of better methods of agriculture our University of Illinois has made great advances but the rub comes in getting the farmers to put these methods into practice and to realize the vital necessity for so doing.

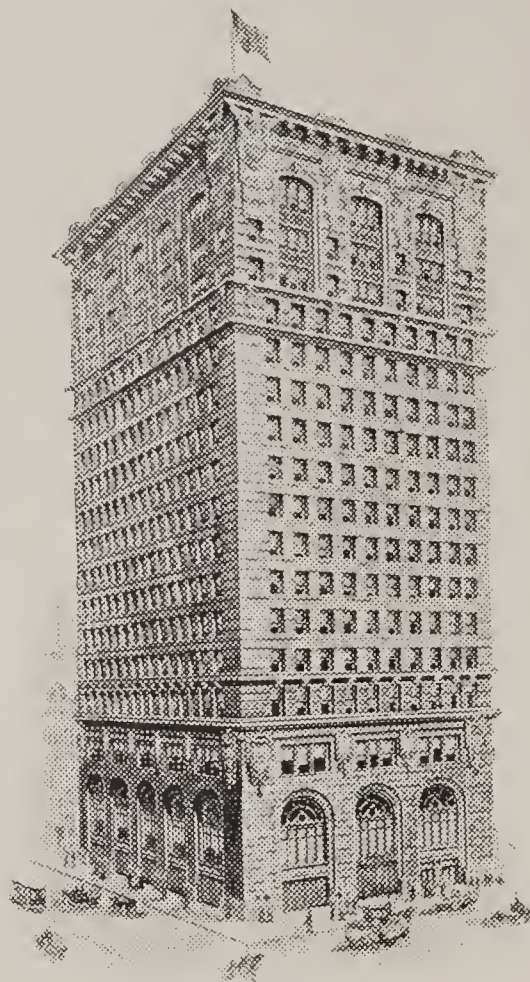
It is at this point that our several associations and organizations may be of great service in giving publicity to the necessities of the case, in urging the continuance of the great work and the necessary state appropriations therefor.

We must help our brothers on the farms, for their success is the beginning of ours.

The great railroads, the Northwestern, Pennsylvania, New York Central, spend from 25 to 150 millions each, in a single appropriation for a single terminal, or feature of their work.

These individual corporations are the outgrowth of our now halting agriculture, yet we, of this great state whose opportunities in agricultural

and vocational education are even greater than our responsibilities, and both seem to be beyond our appreciation,—deal out with niggardly hand and slowly count the few thousands of dollars of taxes we appropriate to this great work, until



NEW HOME OF FORT DEARBORN NATIONAL BANK
The Five Banking Floors have a Total of 38,857 Square feet. The Main Banking Floor has 9,663 feet

such a policy has resulted in requirements for more money for our asylums and penitentiaries, than we use in education and the uplift.

Shows Need of Legislation

The Secretary of the Educational Commission, Robert E. Hieronymus of Springfield, presented the measures which that commission now has before the legislature. Instead of scattering

committee, appointed by the educational commission to prepare courses of study in agriculture, manual training, and domestic science for the public schools, adopted as its fundamental recommendations the following:

I. That the high school completes the formal education of most of its students and that this fact rather than the preparation for college should dominate its policy.

II. That the high school curriculum should, therefore, distinctly recognize the vocational needs of the pupil, defining vocation broadly enough to cover all the useful activities, ranging from industry for the masses to literature, business, and art for the few.

III. That therefore the typical high school should introduce into its curriculum at the present time at least six vocational courses corresponding to the six broad avenues leading into the chief activities of civilized man, namely:

1. A course leading to the speaking and writing professions with language, literature and history as its main subjects.

2. A course leading to the scientific professions, especially medicine and surgery and devoting its chief attention to biology, physics, and chemistry, studies dealing with life and the conditions of life.

3. A course leading to the profession of farming with special reference to the domesticated animals and plants, and to the soil as the sustainer of life, supported by the physical sciences and by the principles of accounting.

4. A course preparing for useful and artistic construction in the building trades and in most lines of manufacture. Here, manual training, mathematics, physics and art should hold the leading place.

5. A course leading to the mercantile and banking business and the world of trade, with commercial geography, economics, industrial history, commercial arithmetic, commercial law, book-keeping, stenography and typewriting as its most prominent features.

6. A course dealing with the applications of science and of art to the affairs of the well-ordered home. Here, sewing, cooking, food values, marketing, serving, nursing, sanitation, textiles,

7. That one-fourth of the student's time in high school be devoted to this vocational work,



Women's Banking Office, Bond Department, Fort Dearborn National Bank

their efforts the commission members are asking for three measures that are far reaching in their effects—a bill providing for a State Board of Education; a bill for a more comprehensive plan of certificating teachers; a bill asking for the restoration of the two mill tax for the state school fund.

The commission has also had prepared by a committee of specialists a course of study making provision for vocational subjects in the high and elementary schools. This special

and three-fourths to non-vocational, upon the ground that the student, in order to make a useful member of society, should for a portion of his time each day after reaching the high school age, become possessed of a deep sense of vocational consciousness demanding special training looking to his own activities, but that at the same time in order to be most effective and rational, he should also devote the major portion of his time to what other men have thought and said and done, and to the facts of nature.

The Crown Auto Jacks

The Crown Tire Saver

This device will prolong the life of your tires at least one-third, which means a great saving to you. The Crown Tire Saver is quickly adjusted to any height car. It has a swivel rest with leather-faced saddle to protect your hub. A set of four jacks weigh 28 pounds. You can see from the cut that it is compact, the handle while in use folds closely to the stand and out of the way. Can be placed in any position. It is built strong and substantial. Cannot slip or drop, as it is impossible to disengage the pawl while under weight.

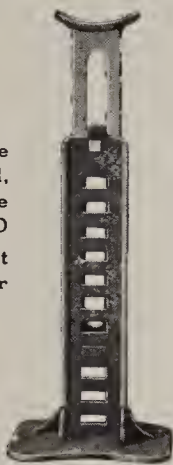
Price,
per set
of four,
\$6.00



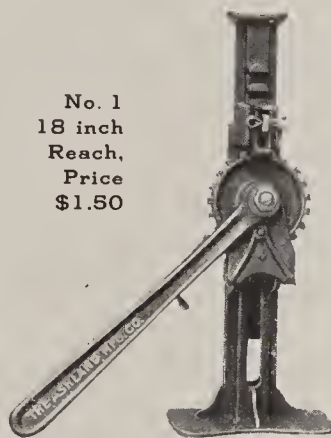
The Easily, Quickly Operated Jack—Staunch, Sturdy, Unbreakable and Inexpensive

A spiral wheel, made of the strongest, toughest material, avoids all the disagreeable shock, crunching and jerking of ordinary jacks. They are self-locking at every point. They can be raised any fraction of an inch and have an automatic reverse. 5½ pound jack lifts 2,000 pounds and costs \$1.50. Other jacks are equally inexpensive and equally powerful and durable. They are made in all sizes for all purposes. ¶ The CROWN Tire Savers are so very inexpensive that the saving they effect on tires pays for a set of them a dozen times a year. ¶ Let us send you a circular of these invincible jacks. ¶ We want a representative in every town to handle our line of jacks.

Storage
Stand,
Price
\$2.50
Per set
of four



No. 1
18 inch
Reach,
Price
\$1.50



No. 3
21 inch
Reach,
Price
\$2.00



The Ashland Mfg. Co.

Ashland, Ohio

REVEALING BANKING METHODS IN OHIO

C. H. Gallup, president of the Ohio Savings, Loan and Investment Company, before it was merged with the Ohio Trust Company just before the latter company failed in 1907, was the principal witness of Elyria, Ohio, on Tuesday in the trial of ex-Congressman Jay F. Laning and James G. Gibbs of Norwalk, charged with misapplying funds of the Ohio Savings, Loan and Investment Company. Mr. Gallup testified Laning asked him to change the form of the Ohio Savings, Loan and Investment Company so that the officers could get the profits and pay the depositors interest instead of dividends. He said also that from his observation he thought the trust company was insolvent before the merger was effected.

MISSISSIPPI ASSOCIATION

May 10th and 11th are the days fixed on for the annual meeting of Mississippi Bankers Association. Greenwood is the place chosen for the session. Richard Griffith of Vicksburg, who is secretary and treasurer, has the arrangements in charge.

AID CONSERVATION WORK

John M. Crebs of Carmi, John L. Hamilton of Hoopeston and E. D. Durham of Onarga, bankers who are prominent in conservation work, were guests at the Commerce Association banquet in Chicago Wednesday.

VISITOR FROM SOUTH AFRICA

Sir William Price, an English financier, who is now a resident of South Africa, is in Chicago. He represents railway interests of South Africa and is making a tour of this country.

SAYS DAKOTANS ARE CHEERFUL

President H. R. Kibbee of Commercial and Savings Bank, Mitchell, S. D., was a caller at Colonial Trust and Savings Bank Wednesday. Mitchell is one of the best and most progressive cities of its size in the Northwest and Mr. Kibbee says there is a bright outlook for business there and all through the Dakotas. There will be more live stock raised for market hereafter than there has been of late years. The drouth last summer was an excellent lesson in the way of diversified farming.

TELLS OF OKLAHOMA THRIFT

E. C. Million, president of American National Bank, McAlester, Okla., was a visitor at First National, Chicago, Wednesday. The president was questioned by bank officials and others regarding business in the Southwest. He stated that a decided improvement had begun all through Oklahoma and that there was a general feeling of encouragement.

FRED AUSTIN NOW AT WATERLOO

Fred Austin, formerly connected with the city ticket office of the I. C. R. R., Chicago, but who went to Sioux Falls, South Dakota, when opportunity knocked, and later was transferred to Sioux City, Iowa, visited his old comrades in Chicago last week. He is now city passenger and ticket agent for the I. C. R. R. at Waterloo.

MICHIGAN BANKER IN TOWN

G. W. Mokma, cashier of First State Bank of Holland, Mich., was at National City, Chicago, the fore part of the week. The little city of Holland has large fruit and truck enterprises and land is rising in value there. Chicago people are buying little farms in that section.

NEW OKLAHOMA CITY TRUST CO.

E. B. Cockrell, president of the Continental Trust Company, now organizing at Oklahoma City, Oklahoma, spent several days in Chicago last week. Mr. Cockrell is a native of Kimmunity, Marion county, Illinois, where he was engaged in the mercantile business during his young manhood. Some fifteen years ago he went to Kansas and followed mercantile pursuits in that state, but the attractive opportunities offered in Oklahoma induced him to migrate there, and finding a good bank opening at Hennessey, in Kingfisher county, he engaged in the banking business some thirteen years ago, and still is president of the Farmers and Merchants Bank of Hennessey. Later, the opportunity to become cashier of the First National of El Reno was presented and he filled that position for six years. Last April Governor Haskell, finding that the banking department of Oklahoma needed the services of a strong, capable, experienced banker, induced Mr. Cockrell to take the position of bank examiner, and after straightening out the affairs of that important office he relinquished that position several months ago, becoming connected with the Central Reserve National of Oklahoma City, as vice-president. The business of this last named institution was recently sold to the Oklahoma City National. Mr. Cockrell has strong faith in the future commercial importance of Oklahoma City.

PERHAPS THE NEW LAW DID IT

Mobile, Ala., March 20.—The Leinkauf Banking Company, one of the oldest banking institutions of Mobile, suspended to-day. Harvey Pake was named as assignee. President W. H. Leinkauf of the bank said that stagnation in the lumber and timber trade made it impossible to realize on some of its bills.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Miscellaneous

For Sale. Two safe deposit vaults. One medium size, suitable for banks, also one large vault with two entrances. Also two bank chests. For particulars, address, Max Schubert, 757 Washington Avenue, No., Minneapolis, Minn.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

FOR SALE—Farm Implements

O'Neil Implement Co., La Salle, Ill., have on the market CON-SERVING carriers and EXPANSION spreaders that increase the value of MANURE and save so much time and labor that they are the best paying investment a stock or grain farmer can add to his equipment.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are today. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.

Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,
407 Monadnock Block, Chicago.

ENGLISH BANKER A SUICIDE

London, March 23.—A sensation has been caused in financial circles by the suicide of R. F. Carnegie, manager of the Lombard Street branch of Parr's Bank, limited, who shot himself at his residence. The affairs of the institution are said to be in perfect order.

The authorized capital is \$62,500,000. For years it has paid a dividend of 10 per cent per annum.

NEW ILLINOIS RAILWAY

The Milwaukee, Peoria and St. Louis Railway Co. has been incorporated at Springfield to build from Peoria an electric line to Rockford, running through eight counties.

Department of New Business

NORTHWEST

Fordyce, Ill.—The Bank of Fordyce is the title of a new enterprise.

Sidney, Ill.—The State Bank of Sidney has been organized with a capital of \$25,000.

Dakota, Ill.—George S. Smith is president, J. F. Smith vice-president and Elmer G. Smith cashier of the new Dakota State Bank. The capital of the institution is \$25,000.

Blue Island, Ill.—The Blue Island State Bank has been chartered with a capital of \$50,000.

Douglas, Ill.—The Douglas State Bank has filed articles of organization by Nicholas B. Jones, C. Caruthers and others.

Mill Shoals, Ill.—The Farmers and Merchants Bank is a new enterprise. John Cox is president; Larton Files, cashier.

Pilot Grove, Iowa.—A new bank is to be organized at this place. B. Dingman will be president.

Dexter, Iowa.—First National Bank of Dexter, capital \$25,000. A. T. Percy, B. F. Myers, M. F. Palmer, F. F. Winsell, B. C. Hemphill are the directors.

Barnesville, Minn.—A new bank is to be organized here.

Bowlus, Minn.—The Morrison County State Bank has been organized. John A. Parton, of Two Harbors, Minn., is one of the prime movers.

Watauga, S. D.—The Watauga State Bank is the title of a new incorporated institution; capital \$10,000.

Ferryville, Wis.—The Ferryville State Bank has been chartered with a capital of \$10,000 by Eugene C. Amann, M. Burham and Fred Copsey.

Portland, Ind.—The Jay County Savings and Trust Co. has filed articles of organization with a capital of \$25,000. G. H. Smith, J. S. Culvert, C. E. Schwartz, W. B. Magill, A. A. Adair, T. M. Shimp and others are promoters.

Rosebud, Mont.—The First Bank of Rosebud has been organized with a capital of \$20,000. James J. Lambrecht is president, Harry Merriam vice-president and Wm. J. Walling, cashier.

Collins, Mont. The new Collins Banking Co. reports capital of \$5,000 with the following officers: D. N. Tallman president, M. I. Helgersen and A. L. Herrig vice-presidents and B. O. Kolstad cashier.

Dutton, Mont.—The new Dutton Banking Co. reports capital of \$5,000. D. N. Tallman is president, M. I. Helgersen and A. L. Herrig vice-presidents and C. G. Cooper cashier.

WEST

American Fork, Utah.—First National Bank of American Fork, capital \$25,000. James H. Clarke, W. Thomson, J. H. Storrs, N. H. Heiselt, and W. H. Chipman are the directors.

Concord, Cal.—First National, capital \$25,000. F. W. Foskett, president; H. H. Ei-worthy, vice-president; W. L. Brown, cashier.

Hillsboro, Ore.—Hillsboro National Bank, capital \$60,000, has opened.

Bakersfield, Cal.—Security Trust Co., capital \$30,000. G. J. Planz, president; H. R. Peacock, vice-president; Dave Hirshfeld, vice-president; J. A. Hughes, secretary, and W. V. Matlack, cashier. Mr. Planz will be the active manager of the concern.

Willows, Cal.—The comptroller of the currency has approved the application of the First National Bank of Orland to organize with \$50,000 capital. W. E. Searce is named as president.

Santa Monica.—The Merchants Commercial and Savings Bank, a new financial institution, will open its doors for business early in May in the new brick building being erected on Marine Street. The prime mover in the establishment of this bank is President C. P. Thomas of the Merchants National Bank, Geo. W. Thomas of Ontario, Ore., will be at the head of the new institution. Associated with them will be C. D. Francis, cashier of the Merchants National.

Atwood, Okla.—The First State Bank has been incorporated with a capital of \$10,000 by W. F. Browning and others.

Hydro, Okla.—First National, capital \$25,000. Geo. B. Pope, president; W. H. Collins, vice-president; Roy M. Felton, cashier; E. F. Smith and F. E. Woods, assistant cashiers.

Marlow, Okla.—National Bank of Marlow, capital \$25,000. Joe Anderson, president; John T. Quinn and R. H. Drewry, vice-presidents; O. R. McKinney, cashier; and C. P. McKinney, assistant cashier.

Okmulgee, Okla.—A charter was issued to the Exchange National Bank of Okmulgee, capital \$50,000.

SOUTH

Chaffee, Mo.—The German-American State Bank is a new enterprise.

Johnson, Mo.—The Peoples State Bank, with a capital of \$20,000, is a new enterprise. R. M. Jenks is president and Frank Jenks cashier.

Gary, Tex.—The First State Bank has been organized with a capital of \$10,000 by B. J. Hawthorne and others.

Mineola, Mo.—The Mineola Bank is the title of a new institution to be started July 1st. Capitalized at \$12,000. W. C. Crain is president, J. P. Tate vice-president and J. B. Tate cashier.

Dutzow, Mo.—The Security Bank is the title of a new enterprise.

Reedsville, W. Va.—The Farmers and Merchants Bank has filed articles of organization with a capital of \$25,000. G. A. Zimm, T. N. Fannar, E. E. Ashburn, Orval Watson and others are interested.

Winding Gulf (P. O. McAlpine), W. Va.—The Winding Gulf Bank has filed articles of organization with a capital of \$25,000. Alice P. Whittaker and Gertrude D. Campbell, both of Charleston; Lester N. Mullens, of the Bank of Mullens, W. Va., will, it is stated, be the cashier.

Childersburg, Ala.—A new national bank is to be organized here with a capital of \$25,000. McLain Tilton, Jr., of Pell City, and J. A. Hodges, of Ashville, are promoters.

Greenville, Tex.—The Guaranty State Bank has been incorporated with a capital of \$50,000. W. Cantrill, G. E. Gordon, Mrs. W. A. Williams, Jr., and others are interested.

Chattanooga, Tenn.—The Southern Guaranty and Trust Co. has filed articles of organization with a capital of \$50,000. A. B. Wood, Chas. C. Moore, O. P. Darwin and G. H. West are promoters.

Lilburn, Ga.—A new bank is to be organized at this place. W. H. Toole, of Winder, Ga., is said to be interested.

EAST

National Bank of Liberty, N. Y., capital \$50,000. Edward W. Grant, Liberty, N. Y., B. F. Green, I. Post, S. Emhout, D. S. Hill are the directors.

Cambridge, Mass.—Citizens National Bank of Cambridge; capital \$200,000.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

reputation for maintaining a very large cash reserve. At the time of the call it was more than 33 per cent. Seattle has twenty-seven banks, three of them each having a million capital or over.

SEATTLE is one of the wonder cities of the world. Ten years ago it had eighty thousand population. The census for 1910 gives it a population of nearly 200 per cent in 1910. The deposits of the Seattle banks in 1900 were just over twenty millions. They now reach seventy-five millions, showing a growth of nearly 270 per cent. The growth of the Seattle National alone shows a much more startling situation. In 1901 the Seattle National had one and a half millions in deposits and in 1911 it had nearly fifteen millions, showing a growth per cent of 842. Any other city or any other individual bank which can show similar or greater growth is invited to the use of these columns.

BANK OF SENECA, Seneca, Missouri, has deposits of \$175,195.83. This is based on a capital and surplus of \$100,000 and shows the Bank of Seneca to be in splendid condition.

FIRST NATIONAL OF PEORIA reports also for the Savings Bank of Peoria with combined deposits of just a little short of six millions. The First National has been in business forty-seven years and enjoys a splendid reputation. The officers are Charles R. Wheeler, president, William E. Stone, vice-president and cashier.

"THE SUGAR BEET AND SUGAR" is the title of a new booklet sent out by the American Sugar Industry and Beet Sugar Gazette. The Gazette is the recognized organ of the sugar trade in America and circulates also in foreign countries. Its editor and publisher is a recognized expert in the sugar industry.

W. A. OWEN, vice-president of the Farmers Union Bank of Covington, Tennessee, visited Chicago recently on legal matters pending in the probate court of Cook county. Mr. Owen is one of the leading lawyers of his city, and stated that banking conditions in his part of Tennessee are in satisfactory condition and that business prospects for the future are very promising.

STOCK YARDS NATIONAL, South Omaha, shows close to six and one half millions in deposits. H. C. Boswick is president and J. C. French, cashier.

HERE is another warm, little, semi-confidential paragraph from one of Col. Dinwiddie's communications to his Cedar Rapids clients. It reads A1, and has been very effective. The Colonel says:

IF there is anything about our business that we can tell the customer we want to tell it; we want him to know all about the bank, but we cannot tell him anything about any other customer's business with the bank; that is sacredly confidential. If we can help anyone by consultation or correspondence, in business transactions, investments, or otherwise, we will be only too glad to extend that help. If you can help us, in this or any other way may we call on you?

MELLON NATIONAL (PGH.), has bankers' balances to the amount of \$19,955,011.74 as against \$17,854,253.95 in individual deposits.

THIS also tells a tale. Citizens Bank, Grant City, Mo. has for its correspondents Flannover National, N. Y. Corn Exchange, Chicago, Merchants Bank, St. Joseph, and the Stock

Yards Bank, South St. Joseph. From this list you might guess a little as to its location in a stock raising community.

FIRST NATIONAL, Grand Rapids, Wis., in 1905 had \$358,000 in deposits. Now has \$1,021,000 and growing pains, almost. "No account too small for careful attention."

HARRY YEAGER of Montana has another job. At least the dispatches have it that he now is a national bank examiner and probably will have to give up the secretaryship of the Montana Bankers Association and the place on the A. B. A. executive council. This may be a good thing for Mr. Yeager but both associations will lose by it.

HE was quite active in getting the new Montana banking bill (see editorial page) passed putting an end to open shop banking in his state. This will increase public confidence and all forms of banking will be under supervision and inspection. What's the matter with Illinois?

FIRST NATIONAL of Clarksville, Tenn., has purchased the fixtures and vault of the old Merchants National of Cincinnati, which recently was consolidated with the First National of that city. When the alterations and additions are completed, the Clarksville bank will have a splendid banking house where it can care for the needs of a growing business.

NO handsomer printing comes our way than that sent out by the Central National, Cleveland. Col. J. J. Sullivan is the president and L. J. Cameron, cashier.

NOW what do you think of the Continental National of Indianapolis? Had \$400,000 in the fall of 1909 and on March 8th reports \$2,317,000 in deposits. Perhaps something in the name?

UP in Milwaukee they have a Germania National. Who will dispute the right to the title when he reads the names on the official list? Brumder, Schultz, Engelke, Berger, Bunde, Mayer, Kieckhefer, Willmans, Fehr, and Reddeman. No use to put up a line "German also is spoken in the bank." Deposits are close to five millions.

"PERSONAL" — "not for publication," both lines underscored guards the secret of why an esteemed banking friend from up Wisconsin way was "put out" of the Palm Beach tournament. There are more ways than one, of course, of getting out—well out of a bunker.

G. F. O., over a Minneapolis date line sends us this tip: "If you desire any information as to what a 'Jamaica Swizzle' is, or if you are looking for anyone to tell the difference between an English penny and a half sovereign, I would suggest your writing to Joe Chapman. You know that Joe just got back from Kingston?"

YES, and the funny thing is that the Chicago Association of Commerce invited Mr. Chapman to talk on farming, last Wednesday. The tip came too late. Chapman has been for some time helping on the back-to-the-soil movement up in the Northwest. How to keep the boys on the farm and away from the overcrowded city shops is a live question in Minnesota and Harris, Edens and others have it up in the Illinois Bankers Association.

"THE defect in our currency system; the functions of a central bank; the methods of several foreign central banking institutions; the first and second bank of the United States and Jackson's hostility; the fourteen best known plans for a central bank in this country; the argument for and against such an institution; currency redemption; banking opin-

ions on the question; and the press on a central bank are among the leading subjects discussed in this book."

THESE are the glittering chapter heads in a new book offered for sale by your old comrade, Anthony Stumpf of New York, but we do not see why a few chapters on the "Robin Affair" might not be added to give the thing an up-to-date effect? We should like to know why Robin (ovitch) bi-sected his name and a few other things? CASHIER.

COL. FARNSWORTH INTERVIEWED AT NEW ORLEANS

Col. Frederick E. Farnsworth has been on a visit to the cities which are inviting the American Bankers Association to meet with them this year. Hotel, headquarters and assembly room conditions come within the scope of his inquiry. Things at New Orleans, which has re-entered the field against San Antonio, seemed to please him. While there he gave out an interview on the currency situation in which he said that the Aldrich banking law would create the Reserve Association of America, to all practical purposes a central bank, Mr. Farnsworth said that he was in favor of the measure.

"Our present national banking law is almost fifty years old," he said, "and is not adequate for our present needs. It is one law that has not been revised to meet the changed conditions that have accompanied the country's development. The situation, as it now exists, is that of plenty of money when there is little need for it, and a lack of money when there is real need of it. The proposed legislation would provide an emergency currency that would meet conditions of financial stress."

"When the strain had passed, the emergency currency would be redeemed. By the issue of emergency currency the elasticity of the currency, necessary to avoid panics, would be obtained, and at the same time, through the redemption of the same emergency currency, after the occasion for its need had passed, would be a safeguard against depreciation in money through an over supply. The reserve association would be a bank of issue and discount only, its power to regulate discount applying only to dealings between the banks and the government and not to the general banking business of the individual bank."

There are 12,000 banks in the American Bankers Association, comparison assets of more than \$14,000,000,000.

Mr. Farnsworth is a believer in the future development of New Orleans. He said that it was only reasonable to believe that the opening of the Panama Canal, together with the advantages from its location, would make the city one of the most important in the country but he was too diplomatic to intimate where he thought the next A. B. A. convention would be held.

GOOD SHOWING OF FRANKLIN PARK STATE

March 7th was the maiden effort in the way of a statement for the Franklin Park State Bank, which only opened for business January 9th of this year. Deposits are nearly forty thousand dollars, based on a capital of \$25,000. Wm. H. Kirchoff is the cashier and active man. He is well known in state banking circles and is rated as very promising.

BUYS WINTER HOME

E. A. Potter, chairman of the board of directors of Continental and Commercial National, has been in San Diego selecting a winter home for himself and family.

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150 safe deposit boxes for \$450.00. (Used but little.)

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Surplus and Profits	-	-	-	6,300,000.00

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Deposits	28,000,000

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W. T. PERKINS	-	Cashier	WALKER G. McLAURY
W. D. DICKEY	-	Assistant Cashier	R. U. LANSING
		Assistant Cashier	M. K. BAKER
			Asst. Manager Bond Dept.

The Girard National Bank

OF PHILADELPHIA

Capital,	-	-	\$2,000,000.00
Surplus and Profits,	-	-	4,360,000.00
Resources	-	-	44,200,000.00

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RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

APRIL 1, 1911

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10 CENTS A COPY

Banking Opinion

"My idea is that there will be an increase in industrial activity in the United States during this year," said President Charles G. Dawes, of Central Trust Company, to a representative of THE CHICAGO BANKER Wednesday. Mr. Dawes has been in the East since the present trade depression began and while there took occasion to ascertain the views of several financial leaders. He said there was no alarm over business conditions and added:

"There are large accumulations of money ready to be loaned out to legitimate business, and, in my judgment, there has been no material lessening of confidence on the part of the people in the soundness of underlying conditions. Available capital and confidence are the chief ingredients always of business activity. I am speaking of course of the general business of the country, which is now somewhat slow."

The trouble with business men, as Mr. Dawes views the situation, is that they think it best to slacken up until they know definitely what the supreme court is going to decide in important trust cases and what congress is to do in regard to currency, reciprocity and the tariff generally. When these questions are disposed of or more light is thrown upon them, the trade of the country is likely to start up again.

Financial leaders say that the times cannot be very bad, although considerable labor is temporarily idle. It may be a dull summer but the consensus of opinion is that business matters will be readjusted by fall.

ANOTHER CHICAGO BANK MERGER

The merging of the Railway Exchange Bank with the Peoples Trust and Savings Bank, a financial move that has been expected ever since the organization of the last named institution, was announced by the officers of both banks after the close of business Tuesday.

The name of the Peoples Trust and Savings Bank will remain the same and the business will be continued in the Peoples Gas Light Building, Michigan Avenue and Adams Street. All checking and savings accounts of the Railway Exchange Bank were taken over by the Peoples Trust, and until books and check pads may be conveniently exchanged the depositors will continue to draw checks on the same printed blanks.

The Peoples Trust and Savings Bank was opened December 1st of last year with a capital of \$500,000 and a surplus of \$100,000. It was organized and backed by a group of capitalists commonly known as "the gas people." Its growth was rapid and its last showing of deposits, when examined by the state auditor, was \$4,000,000.

Cashier A. M. Rode, R. B. Upham and H. T. Griswold, assistant cashiers of the Railway Exchange will transfer their services to the Peoples Trust. President George Merryweather of the Railway Exchange Bank retires.

The Railway Exchange Bank originally was organized as the Jackson Trust and Savings Bank. Its name was changed when it moved into the Railway Exchange Building, however, in order to conform with its location. Joy

Morton sought to secure the controlling interest by purchasing all of the outstanding stock, which he did. Shortly after the change of name it became necessary to reorganize the bank, a reorganization that put it on a firm financial basis.

The consolidation, according to the statements of the officers of the banks, has been worked out in a manner entirely satisfactory to all parties concerned in the merger. The Peoples Trust and Savings Bank now will have a deposit of more than \$5,000,000.



FRANK O. HICKS

Late National Bank Examiner, Elected Vice-President Mechanics American National Bank, St. Louis

J. ADAM BEDE IN TOWN

Former Congressman J. Adam Bede of Duluth visited Senator Lorimer at LaSalle Street National, Chicago, last week. Mr. Bede has grown to be one of the most popular platform entertainers in America and is offered more lecture engagements than he can fill. He is one of Senator Lorimer's staunchest friends.

Money Stagnant

Money has remained easy owing to trade depression, and rates are fractionally lower than a week ago. Counter loans are $4\frac{1}{2}$ to 5 per cent, and large borrowers can get funds at $3\frac{3}{4}$ to 4 per cent. There is a little doing in commercial paper. The rate is around 4 per cent.

The foreign exchange market has weakened considerably during the week as a result of a free supply of cheap capital. Quotations are: bankers demand sterling, 485.95; bankers 60 days sterling, 484 $\frac{1}{4}$; bankers demand francs, 520; bankers 60 days francs, 521 $\frac{7}{8}$; bankers demand marks, 95 1-6; bankers 60 days marks, 94 9-16.

Group Four

The present officers, former chairman and members of the executive committee, and chairmen of all standing committees of Group Four, Illinois Bankers Association, have been invited to attend an informal dinner at 5:30 o'clock Tuesday evening, April 4th, to be given at the New Hotel Sherman. As Tuesday is a legal holiday, it is expected that each individual officer and committeeman will be present. It is the purpose to decide on a time and place for the fifth annual meeting of Group Four, and also to arrange a program for the meeting.

Those expected to be present will include: Ex-chairman of Group Four, H. E. Otte, vice-president National City Bank, Chicago; George Woodruff, president First National Bank, Joliet; William H. Doe, cashier Home National Bank, Elgin; Chairman W. G. Edens, assistant secretary Central Trust Company of Illinois, Chicago; Secretary J. M. Hurst, assistant cashier State Bank of the Republic; Treasurer C. S. Backus, cashier State Bank of Hampshire.

Members executive committee: Kendall county, W. D. Stewart, president First State Bank, Plano; DuPage county, G. A. Dayton, cashier State Trust and Savings Bank, West Chicago; Lake county, D. H. Jackson president First National Bank, Lake Forest; Will county, Frank Leiss, cashier Mokena State Bank, Mokena; McHenry county, C. B. Whittemore, First National and Savings Bank, Marengo.

Chairman committee on arbitration, James B. Perry, president Bank McHenry, McHenry.

Chairman committee on reception and program, W. W. Gates, assistant cashier Central Trust Company of Illinois, Chicago.

Chairman committee on press and publication, E. F. Adams, assistant cashier Glen Ellyn State Bank, Glen Ellyn.

Chairman committee on uniform action, Chas. B. Wright, Citizens State Bank, Crystal Lake.

Chairman committee on protection against fraud, H. J. Cooper, cashier Old Second National Bank, Aurora.

R. L. Crampton, secretary of the Bankers Association of Illinois has also been invited to be present; also Chas. N. Stevens, cashier City National Bank of Evanston, who was formerly treasurer of Group Four, and F. J. Scheideheim, cashier State Bank of Evanston, have been invited to attend, with a view to developing if possible a suggestion made last summer after the fourth annual meeting at Brookline Farm, Aurora, that the next convention should be held on the north shore—that the Evanston bankers should ask the other north shore banks to join them as hosts. There is a possibility that the meeting will be held at Ravinia Park.

Secretary Hurst has arranged with the manager of the New Hotel Sherman to furnish this dinner party with election returns. After dinner the party will go in a body to the Olympic Theatre to witness the one hundred and fifty-ninth performance of Geo. M. Cohan's dramatization of Get-Rich-Quick-Wallington.

There are about three hundred members in Group Four, which includes the banks in the counties of Cook, Lake, McHenry, Kendall, Kane, Will and DuPage.

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Surplus and Profits \$10,000,000

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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

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AVERILL TILDEN
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WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

THEY have a mortgage guaranty company in St. Louis and why not in Chicago? Of course the guess-again brokers will object but the purchaser will like it.

"HIM that has gets." Geo. M. Reynolds has been elected treasurer to the South Park board. He succeeds John J. Mitchell who will have to struggle along without it.

READ the news from Wichita, and when the chief of police of your town, or any other fence, offers you postage stamps at 50 cents on the dollar, call up the post office inspector or the U. S. marshal. They are cheap at par to a good banker.

A LOT of that postal deposit dope turns out to be true. The banks where foreigners are in the majority, lead both in the number of depositors and in the size of the average balances.

W. W. GATES, assistant cashier, Central Trust Company who looks after the preparation of advertising matter for this important, growing institution, is out with a statement for his bank in new colors in which the modish reds and browns predominate. It is an artistic production and will be of substantial assistance to the customer, or to one contemplating a banking connection. Every department in the bank is treated in a brief, comprehensive manner.

FRANK O. HICKS is the new vice-president of the Mechanics-American, St. Louis, taking the position vacated by L. A. Battaile. Look up his portrait in this issue and see if he doesn't look like the goods.

GEORGE L. RAMSEY of Helena, Mont., sends us the following: "Thinking that it might be of interest, we have obtained a certified copy of the law that passed the legislature providing for the public examination of private banks and the requirement that reports should be published, and enclose a copy herewith. We have a few extra ones on hand which we shall be glad to supply if you care for an additional number."

M. R. RAMSEY might delight a few of his chums in Illinois with a copy each, say to Durham, Hamilton, Phillips, Crabtree and also to Woodruff, Harris, Aisthorpe and any that are left to the committee on banking at Springfield. This state is in need of a spring tonic of this kind if ever a state was.

THERE is Milo F. Lewis for instance who operated as a private bank recently in Chicago. He called it the Cosmopolitan and issued certificates of deposit in his sleep. He ought to have a copy to prevent his coming to Montana with one of his phony banks. At present he is selling shares in the Sir Francis Drake estate to pay 2,000 to one. This is as good almost as his kind of a bank except that operating expenses are greater.

YES, and Butler ought to have a copy. His chain of private banks down about Peoria are down and out and he might be headed for Montana. Then there is Kalovitch and a lot

of others. Illinois could use up a lot of those extra copies.

W. M. MALONE, editor of the Bank Deposit Guaranty Journal of Oklahoma tells us that, "The failure of the Columbia Bank & Trust Co., of Oklahoma City, and the mis-management of the Oklahoma Trust Co. of Muskogee seem to have been at the root of all the trouble of the bank deposit guaranty law of the state. No more Nortons and Joneses will be allowed to do a banking business in Oklahoma. A closer supervision of banks and a closer scrutiny of bankers will reduce to the minimum assessments against state banks."

HE says also that "state bankers don't enjoy paying the emergency assessment of one per cent but there is a silver lining to the cloud. This assessment will clean up all the claims against the guaranty fund and leave about a quarter of a million dollars in the fund, in addition to securities from defunct banks that will net the guaranty fund about \$100,000. So the future conditions are not as bad as they seem on the face of the 'returns.'"

BANKERS of the country as a rule do not believe in bank guaranty but none of them wants to see any thing disastrous happen in Oklahoma. Perhaps it will drag along as such things do and die out as most innovations do.

J. D. LANGFORD is the new Oklahoma superintendent of banking. He is a Mississippian by birth and an experienced banker. He was president of a state bank at Atoka when appointed. He is said to be a staunch believer in guaranty and perhaps he may be its savior.

THE banking board under the old Oklahoma law was composed of state officials who acted ex officio. Now the governor appoints. Just as Taft took three cabinet ministers—MacVeagh, Dickinson and Fisher—all from one ward in Chicago, Governor Cruce took both his new banking board members from Oklahoma City.

THEY are J. C. McClelland and F. G. Dennis. Mr. McClelland for years was connected with the First National Bank of Pond Creek, Oklahoma. He organized the Oklahoma State Bank at Oklahoma City a few years ago and later with Mr. Wikoff organized the Tradesmen State Bank of Oklahoma City.

M. R. DENNIS has been clearing house examiner and before that was a banker. The bankers of the state seem to like the appointment.

DOUBTFUL practice. When a man gets appointed a bank examiner his son should not go out in the same district selling bank supplies. That's almost as thin as Booker T's explanation.

SHAVEN and Dunfer have opened a private down the state and it depends upon which firm member gets to the customer first as to what happens to him.

WE hear that a K. C. banker delivered the same address at all of the eight Oklahoma group meetings, but changed the subject each time to show versatility. It worked fine but was rather hard on the bank boys from the reserve centers who had to hear it. He also put the guaranty official organ up against a difficult question.

GROUP FOUR at Claremore, a celebrated Oklahoma resort gave each attendant a ticket for a bath. A speaker explained that when you lend a farmer \$100 for sixty or ninety days you should not say anything about the rate. "Simply tell him that he will owe the bank \$110 or \$115 whichever it is and take the note for that amount." And that's only from 40 to 90 per cent.

AS an illustration of how it works, the speaker said: "About six years ago I went to a little town now called Gore. There were two or three little credit stores in the town of about 50 inhabitants. I built four brick buildings and put in a bank there and commenced loaning money to the farmers. They all grasped the opportunity of borrowing money instead of buying goods on a credit, and commenced to raise potatoes, and the cash enabled them to buy seed in order to plant potatoes, which they were not able to secure from the credit stores. Last year that little town shipped about 700 cars of potatoes. That alone shows what this little bank has done for the community and the country." (Hearty applause.)

G. M. REYNOLDS has sent out word to say that the Continental and Commercial Trust Company will be conducted upon the same careful and attentive lines which have distinguished the Continental and Commercial National. The Trust and Savings Bank has been removed to its new location in the Continental and Commercial building and is under the direct executive charge of John J. Abbott.

M. R. ABBOTT has been detained away from business for a few days owing to a brief attack of muscular rheumatism. He has the various departments of this allied institution so well organized that one might easily think it had been in business for years. The men in charge of the various departments are young but fully experienced. There will be a close co-operation between the national and the trust and savings banks in all future operation.

BANKING in Chicago is such an open book to the whole country and the local difficulties are so promptly adjusted that all bankers will be glad to know that the Booth Fisheries Company has been fully reorganized and the Chicago banks relieved of all burden in the matter. A voting trusteeship is a part of the arrangement and some of Chicago's best known financial operators will be represented in person. The new securities are being offered to the public by S. B. Chapin and Company at a quite attractive rate.

MUCH illustrated literature is being sent out these days from the Illinois Bankers (Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
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Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
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THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

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THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

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JOHN F. HAGEY, Asst. Cash.

CORN EXCHANGE

CAPITAL : \$3,000,000.00
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Savings Bank Conditions

Lucius Teter, president of the Chicago Savings Bank and Trust Company, in a lecture on Tuesday Evening before the New York Chapter of the A. I. B. treats of a vital and interesting subject

It is probable that no subject in connection with American banking affairs presents more interesting features to the student than the savings banks problem. The importance of this subject cannot be overestimated. As banking becomes more and more a profession and men give time to the scientific study of financial affairs, many questions rush forward demanding solution. However, of all these, and there are several of moment, very nearly the first place of importance is occupied by the consideration of those facilities which now and which shall in the future handle the reserve sums of money owned by the savings people of the United States.

This question not only involves how the money shall be received and cared for, but involves the equally important question of how it shall be distributed by the banks for use throughout the different sections of the country and vitalized into activity and productivity.

The reports of the national monetary commission furnish a splendid field for studying the present condition of the banks in the United States, and, while giving credit to these reports for most of my statistics, I wish to commend the publications of the monetary commission to those of you who care to make exhaustive studies concerning our various banking problems. Something of an idea of the size of this problem may be obtained by considering the increase in savings deposits during the last twenty years.

Take Chicago's experience—In 1892 Chicago had \$19,515,370.00 of savings deposits and in 1911, \$193,000,000.00, during which period the population increased about 100 per cent. May I add that at last reports both population and savings deposits were growing rapidly, but the deposits were growing faster.

In many parts of the country equally important showings are made. In many of the newest sections the percentage of savings increase would be greater, and in some of the older sections not quite so great.

Shall we then briefly consider the general problem of the American Savings Bank? At the outset I think it would be well for us to come to a common understanding of the term "savings bank." In what I shall say, we will take "savings bank" to mean any incorporated banking institution accepting savings deposits and turning these funds into community use. Savings banks in the United States at the present time may be divided into three general classes; first, mutual banks without capital; second, capitalized savings banks, state banks and trust companies, these two groups are conducted under more or less adequate state banking laws; and third, national banks, organized and operated under the federal statutes. The total number of such institutions in 1909 was 10,989. The diversity of legislation and systems, the difference in points of view, both of bankers and public, and comparatively recent development of handling savings deposits by

national banks presents a somewhat complex situation, which we will analyze briefly.

I take it that these institutions all exist as savings institutions for one of two reasons; either they are pre-eminently the proper institutions for the handling of the business, or they are the only institutions available at specific points for the handling of savings deposits. In either case the analysis of the situation is attractive.

Mutual Savings Banks

Generally speaking, the oldest and certainly the most respected class of savings institutions in the United States are the mutual savings banks. These non-capitalized banks exist to the number of 627 and are distributed in seventeen states, as follows: Maine, 51; New Hampshire, 43; Vermont, 21; Massachusetts, 187; Rhode Island, 18; Connecticut, 85; New York, 137; New Jersey, 26; Pennsylvania, 11; Delaware, 2; Maryland, 23; West Virginia, 1; Ohio, 3; Indiana, 5; Wisconsin, 3; Minnesota, 10; California, 1, and total 627.

In April, 1909, the total deposits in these banks were \$3,138,763,000, or about 55 per cent of the entire savings deposits of the country. It would be a waste of time to enter into lengthy discussion of this class of banks before this audience, as most of you have been surrounded by these institutions since your childhood. From many points of view the ideal character of these banks is admitted, but upon even a most casual analysis of our subject, we find that one serious indictment must lie at the door of the mutual system, and that is, it has not extended to meet the needs of the people. They were first started here in the East and grew in number, furnishing a splendid service in many communities. Regardless

of the fact, however, that several middle western states, very early in their careers passed admirable mutual savings bank laws, this class of banks has not gained very much of a foothold outside of New England and New York. For illustration, Indiana has had a savings bank law, quite similar to the New York law, in force for a generation; however, there are but five mutual savings banks in that state. Other states furnish similar examples.

One would find much of interest in investigating the reasons why the mutual savings bank system should have gained so great a hold in the earlier days in the older parts of the country and so little in the newer. Do you think that by the time the territory west of the Alleghenies was settled men had begun to regard the capital invested as well as the character of the management an important element in determining the measure of security of a banking institution? Or was it that in these newer communities men who were strangers were brought together quickly and did not have that community spirit,—that New England "town meeting" attitude,—which would lead them to form and trust eleemosynary financial institutions. We would not for a moment concede that these men of the West were lacking, or are to-day lacking, in broad charity and philanthropic work. Indeed, I believe you will admit that the western cities are quite up to date in realizing responsibilities of this sort. Therefore, I rather hold to the former view, and am somewhat supported in this by the fact that here in the East, the home of the mutuals, these institutions are not now being organized in sufficient numbers to care for the savings needs of the people. The situation in New York state would seem to confirm this point of view, for, while this state has led in everything that has to do with prosperity, rapid increase in population, building up of great factory towns and cities, the increase in the number of the mutual savings banks has been very small in the last generation. For example, the bankers' directory shows only five mutual savings banks that have been started in New York City in the last twenty years, and I believe that one of these has retired at a comparatively recent date. Compare for a moment this situation with what you know of the development of New York City along almost every other line in the same twenty years. And do you know that in your state, with 137 mutual savings banks, there are at least 414 other banking institutions handling savings deposits?

So it would seem that the lack of mutual savings bank organizations is not an indictment that lies against the West alone, but rather one that lies against the period of time since 1870, and, as the western country has had most of its development since that date, the lack of mutual savings banks is greater in the West than in the East.

State banks, other than mutual savings banks and trust companies, to the number of



LUCIUS TETER
President Chicago Savings Bank and Trust Company

6,300 are handling savings deposits. The very large number of these institutions handling savings deposits indicate the great need for the service which they render. The lack of uniformity in the laws under which they are operated, and, what is perhaps more important, the varying degrees of regulation under which their management is conducted is undoubtedly the most satisfactory feature connected with their operation. Indeed, there still remain one or two states that provide no regulation of banking corporations other than provided by the general corporation acts. On the other hand, most states, at least thirty of them, have passed improved banking legislation in the last ten years—many of these laws are almost ideal in character. A large percentage of the class of banks under discussion handle other kinds of business as well as savings deposits. That this is a highly desirable thing in most communities cannot be doubted, because the greater economy of administering a single institution caring for all of the financial needs of a community makes it possible when that institution can include the handling of savings deposits, for the community to have the benefit of savings bank service years in advance of the possible arrival of an exclusive savings bank. That these institutions should be administered under adequate laws, including proper inspection and regulation of investments, cannot be questioned, and this we will refer to again. But let no man feel, because his ideal of an exclusive savings bank cannot be realized, that these thousands of small communities in the United States should be deprived of savings bank facilities.

National Banks

A national bank accepting savings deposits! I presume that is the greatest heresy of all! So far as the banking functions of the national bank are concerned, I think that no one realized for a great many years that they would ever be used as other than commercial banks. But here again our problem has met a law greater than any law on our statute books, and that is the law of supply and demand—the law of necessity.

On January 7, 1911, national banks in the United States to the number of 2,872 were conducting savings departments. Their total savings deposits were \$589,183,982.65, and to give you something of an idea of how this part of our subject is developing, I would say that in the spring of 1909 there were 2,011 national banks conducting savings departments with a total of \$331,562,680, an increase in the number of national banks accepting savings of 861 and an increase in savings deposits of over \$258,000,000 in less than two years. And yet these institutions are operated under a statute that does not even mention savings deposits, and obviously there is no provision for the investment of these funds. However, we all have great confidence in the national bank act, and it is undoubtedly true that the regulations under which these institutions are conducted are far superior to those governing many of the state banks.

Now, I have given you a hurried review of the classes of the banks to the number of over ten thousand which are to-day handling the savings deposits of 15,000,000 depositors, whose deposits amount to over \$5,600,000,000, and if I do not mistake the measure of the savings bankers' responsibility for the future, I believe that the savings deposits in the United States will increase in volume with greater rapidity in years to come than they have at any period in the past.

A large percentage of the people in the United States have lived in the last generation in new communities, where surplus earnings have been largely employed in paying for land, building houses and improvements, and even a most casual study of our condition to-

day indicates that the surplus earnings available for deposit in bank and for making other forms of investments will be greater each year. If this be true, those of us who feel in some degree a duty to our profession must needs take a broad view of this subject with the thought in mind of co-operating in all of those things which will go toward making our savings institutions, of whatever form, safe, convenient and suitable for the needs of the people.

I take it that most of us are willing to admit that after all it does not make so much difference what form the organization takes if these points are attained, the proposition is not one of theory, but of practice; in which we are to take the conditions as we find them and help to make them better.

It has been suggested that I say something about methods for improving conditions. One of the most important influences for the improvement of banking conditions is the training of bank men. Not so very long ago bank employees and officers alike came from the ranks of other businesses; the emphasis is now on the trained man and the trained man is making himself felt not only in the institution where he is engaged, but in the whole banking field. With the trained man comes a broader view, a lessened tendency toward ugly competition; therefore, a spirit of co-operation among bankers is becoming more general each year.

So with this broader view and willingness to co-operate, the bankers are coming together in group and state organizations, there to work out many of their problems. They are finding that what is to the good of all is also good for the individual, and that the motto to keep before them always is "good banking." So these groups of men have suggested improvement in the banking laws of many states and in the federal statutes, with good results for the banks and public.

In California and Michigan a part of our problem has been solved by requiring savings deposits in savings banks to be segregated. In Massachusetts savings are segregated in trust companies. It seems that the legislators in Massachusetts have realized that the mutual banks were not growing rapidly enough in numbers and have specifically authorized the trust companies to take savings deposits, providing the funds are segregated and invested in those securities that are provided for in the mutual savings bank act as suitable for the investment of savings bank deposits.

I am inclined to think the question of the

segregation of savings deposits in all banks and their investment separately is one which will be given much attention in the near future. The federal government must sooner or later take cognizance of the rapidly increasing volume of savings deposits in national banks and provide specifically for their safeguarding and separate investment.

As you know, national banks cannot now loan on real estate security. One suggestion is to specifically permit national banks to take savings deposits, segregate them and permit a given percentage to be invested in first mortgage securities.

These and many other matters will come to your attention as time goes on; the point for you and me to keep in mind is to be prepared to help solve the questions as they come along.

Having given you a rough outline of the savings bank conditions in the United States to-day and suggested some measure of our responsibility for the future, I commend you to a careful study of our country, its people and conditions. These banking problems are not to be worked out according to any one local standard. For instance, in fixing collaterals for savings loans, we may have to admit that railway bonds are best for New York; cotton for Arkansas; cattle for Texas; wheat for Illinois; but we do want to know what is best and see to it that the people have what is best for them.

I congratulate you of the institute in the opportunity afforded you for technical training and at the same time broadening your practical experience. Study not only your institute work, but follow the work of the American Bankers Association, and as nearly as practical the work of the state associations. Then later on when you take your place as you should in the activities of association work your equipment will be of value and a satisfaction to you and to your fellow bankers.

BACK TAXES ON STOCKS

Acting on the recent ruling of the state supreme court that Illinois corporations and owners of stock in corporations of other states were liable for all taxes on stock values not paid during the past ten years, the attorney for Cook county has instructed the board of assessors and review to comply rigidly with the ruling and proceed to collect approximately \$200,000,000 back taxes now due.

The fact, however, that such a tax would amount in some cases to confiscation is expected to result in a compromise on a basis of 10 per cent as in the case of the International Harvester Company recently settled. This means that within the next two years \$20,000,000 in back taxes will be collected.

Aside from the liability of Illinois corporations for back taxes on their capital stock, every resident of Illinois is held liable for ten years of taxes on every share of stock held in any concern incorporated in another state. In both cases the annual tax rate is approximately 42 mills on one-third of the actual market value of the stock.

A GENUINE IRISH NOVEL

"The Plough and the Cross" is a genuine Irish novel by Editor Wm. Patrick O'Ryan of "The Irish Nation." Further than this it comes from the Theosophical Publishing Company, Point Loma, Cal. Katherine Tingley herself wrote the introduction. The story deals with Irish political, literary and social life and tells fully of the Maynooth movement. Many well known Irish personages, clerical and lay, figure in its pages. All of the Irish papers praise it very highly. The Irish Times says every man and woman interested in Ireland should read it. It is fully illustrated and the initial letters are in Celtic design. Price \$1.00.

DAVIDSON COUNTY BONDS FOR SALE

Bonds in the amount of \$80,000.00, bearing a rate of interest not exceeding five per cent. per annum, to mature in twenty five years, payable in the City of New York, will be sold to the best and highest bidder on April 20, 1911, at ten o'clock, a. m., at the office of the County Judge, in the Court House, in Nashville, Davidson County, Tennessee. Each bidder will be required to deposit a certified check for \$250.

The right is reserved to reject any and all bids.

All communications will be addressed to W. M. Pollard, County Judge, Nashville, Tennessee, or to Thomas J. Nance, chairman, care Remy-Nance Printing Company, Nashville, Tennessee.

T. J. NANCE, Chairman
W. M. POLLARD, County Judge
SAMUEL N. HARWOOD, County Attorney
NASHVILLE, TENNESSEE

ILLINOIS BANKING NEWS

By C. C. Burford

Illinois is chagrined to have had a day-light bank hold-up in good old Wild West style committed within her borders. No more revolting crime against the banking business can be imagined than to have two or three fully armed men enter a country bank and terrify the officers with a rude command of "hands up."

The village of Blue Mound, on the main line of the Wabash, in Macon county, a few miles southwest of Decatur, is a peaceful and prosperous community. Friday noon, March 24th, two men entered the First National of Blue Mound, and forced the cashier's son to deliver over the cash and then locked him in the vault. The sum of \$2,000 was lost by the bank and the hold-up men escaped in an automobile.

The Illinois Bankers Association has offered a reward of \$2,000 for the arrest of the Swan Creek bank burglars who broke jail at Monmouth, March 20th. Part of this sum is offered by the association directly, while the state of Illinois, the banks of Monmouth on behalf of Warren county, and the Swan Creek Bank, are partial donators to this fund. A reward of \$1,200 is offered for the arrest of the four men who escaped from the sheriff's posse after attacking the Citizens Bank of Walnut in Bureau county. Secretary Crampton is working hard on these various cases. Mr. Crampton calls attention to a bold forger, Robert E. Ward by name, and also to a confidence man named W. H. Sage, alias W. H. Howe. Both are active in Illinois.

Will of Banker is Filed

The will of the late Dwight L. Parker, who was the president of the First National of Gilman, has been filed for probate at Watseka. He owned 600 acres of good farming land besides other real estate, twenty shares of stock in the First National of Gilman, and twenty-nine shares of Illinois Central stock.

Bankers Aid Quincy Y. M. C. A.

The campaign which is in progress in Quincy for the raising of \$100,000 for the erection of a new Y. M. C. A. building has been indorsed by a number of bank officers. Up to date more than \$25,000 has been subscribed.

Yeggmen Overlook Big Swag

The robbers who paid a visit to the Citizens Bank of Walnut, Bureau county, overlooked an ordinary tin box in the vault which contained \$5,500 in currency. The box had been left in the bank vault by Mrs. Henry Chapman who had explained to the officers of the Citizens Bank that only papers were contained therein. After the robbery the owner took the box over to the other bank, the Walnut Bank, but Cashier Ross demanded to know the real value of the contents. Mrs. Chapman at length explained what the box really contained. Viewed from the standpoint of the yeggmen the overlook was a serious one but a most fortunate one for the woman depositor.

Illinois Notes

E. W. Butler, the "boy banker" and the youthful speculator of Ellisville, and his cashier, C. S. Marvin, have received their second indictment from the grand jury of Peoria

county charging them with embezzlement. The grand jury of Fulton county has also returned bills against the pair as one of their chains of banks was in that county.

The First National of Kankakee is one of the good advertising banks of Illinois. Many banks do not care for large display advertising in the papers of their home town but the First National of Kankakee not only takes a generous amount of space in the dailies but they write what an ad. man would call a "nifty" advertisement. Frequent changes are made in the ad. rather than continuing a conservative standing ad. such as many banks use and present-day happenings are seized upon as good material for suggestive ideas.

WESTERN ELECTRIC'S PROFITS

Net earnings of the Western Electric company for thirteen months ended December 31, 1910, set a new high record of \$5,419,169, comparing with \$2,404,010 for twelve months ended November 30, 1909, and, after deducting fixed charges, the balance for dividends was \$4,534,276, or 30.23 per cent in \$15,000,000 capital stock outstanding, comparing with \$2,090,264, or 13.93 per cent.

While this net exhibit is by far the best one ever reported by the company, it is amplified by the fact that while sales of \$68,375,150 in the thirteen months' period were more than one-third larger than those reported in the preceding twelve months, they were considerably less than in the twelve months ended November 30, 1906, when gross income reached \$69,245,331.

The immense growth of profits on comparatively smaller sales indicates that many advantages have been derived under the more complete control of the American Telephone and Telegraph Company, which own four-fifths of the capital stock of the huge manufacturing concern.

FORBES VISITS OLD FRIENDS

President R. T. Forbes of First National, St. Joseph, Mo., was visiting old friends here the fore part of the week.

NO PARDON FOR WALSH

According to information obtained from a White House caller, who discussed the applications of John R. Walsh and Charles W. Morse for pardons, the president will deny both.

The papers in the two cases, making a pile more than a foot in height, have been in the hands of the president since shortly before he started for Atlanta. It is stated that the recommendations made by the attorney-general in both cases are adverse. The president is giving close attention to every paper in the two cases, not being content to consider alone the conclusions the attorney-general reached after examining them.

In the Walsh case most careful attention was given by the department of justice to the claim that imprisonment is undermining the health of Walsh and that he cannot much longer stand confinement.

Not only did the prison physicians make an exhaustive report on this phase of the question, but experts, physicians of wide reputation, were sent to the Leavenworth penitentiary to examine Walsh's physical condition. It is said that the reports of the physicians agree that Walsh is not in such condition that his life depends upon his liberation at this time, and that the medical men are not apprehensive of serious results following his further retention.

In the Morse case the petitions from friends and sympathizers urging a pardon are almost as numerous as in the Walsh case. Mrs. Morse made a careful canvass for signatures and has devoted virtually all her time since her husband's imprisonment to efforts to obtain his release.

WOULD CHECK DECEPTION

The Ohio banking public, and especially the foreign element, which has been victimized to so large an extent in the past by individuals who set themselves up as "banks," will be protected in the future by the terms of the Lowry bill, which prohibits the use of the word "state" in the name of unincorporated banks.

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OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital	-	-	-	\$2,000,000.00
Surplus and Profits				1,430,000.00
Dividends Paid	-	-	-	\$13,057,000.00

ORGANIZED JANUARY 17, 1807

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Money, Banking and Finance from Chicago Viewpoint

Five per cent money for real estate development has been a common thing in Chicago this spring. The financial market has been dull for a matter of ten days and bankers are glad to get return of 5 per cent. Several of the larger state banks as well as national banks with trust company affiliations have been meeting the demands of the real estate market at the figure named.

General business has not come up to expectations so far this season and as a result money has been cheaper to real estate people than ever before. Ordinarily borrowers on real estate pay 6 to 7 per cent. Last fall this rate was easily maintained and a number of excellent bond propositions were brought out on the 6 per cent basis. As the winter advanced money became more plentiful and 5 per cent loans on building projects got to be a frequent occurrence. This is the situation today and the quotation of 5 to 5½ per cent will stand until the expected trade revival sets in.

The opening of spring has brought the busiest season to Chicago real estate brokers that has been experienced in years. Veterans in the business say that never before has there been such a demand for homes in the outlying districts, and the indications are that the next two months will be the most prosperous in years.

The past week saw a large increase in business over that of the week before and surpassed that of the corresponding week of a year ago by a large amount. There was little done in central business property during the week, but there were several large transfers in apartments.

One of the largest deals was that by which William S. Pace of Cuyahoga county, Ohio, gave a trust deed to Augustus S. Peabody as trustee, securing a bond issue loan of \$140,000 for five years at 5½ per cent. Mr. Pace plans the erection of a twenty-one-apartment building at the southwest corner of Sheridan Road

and Foster Avenue; and another at the southeast corner of the two streets. There will also be constructed in addition a six-flat building. All of the buildings are three story and basement and of high class, the rents running from \$60 to \$100 a month.

Extension at Reduced Rate

An extension of a loan of \$550,000 on the Manhattan Building, on Dearborn Street 200 feet south of Van Buren Street, by the New York Life Insurance Company to George K. Holt from January 7, 1910, to January 1, 1921, at 4½ per cent, was the principal feature of the realty market Monday. The building is one of the best in the downtown district and occupies 149 by 67 feet of ground. The original loan was for \$700,000 and made by Charles C. Heisen, at 5 per cent, 1895.

The Midlothian Country Club is planning extensive improvements by which it will acquire the largest grounds of all clubs in Cook county, as well as one of the finest club buildings. The organization, by J. O. Hinkley, president, has made a bond issue loan of \$120,000, for twenty years at 5 per cent, to the Continental and Commercial Trust and Savings Bank, secured by trust deed on all its grounds and buildings.

The E. J. Lehman estate has had plans prepared for a twelve-story building to occupy the block bounded by Sheridan Road, Commonwealth Avenue, Diversey Boulevard and Surf Street, to cost, it is estimated, \$2,000,000. The building will contain from 1,200 to 1,400 rooms.

Easy Money in the Interior

It is a sign of easy money when interior bankers come to Chicago seeking investments. This spring a great deal of idle capital belonging to outside banks has been used here in the purchase of commercial paper and real estate bonds. This money is employed at 4 to 5 per cent and several corn-belt states seem to have

unlimited quantities of it. In the spring wheat region the situation is somewhat different. A great deal of capital is needed to assist farmers who were hurt by last season's drouth and bankers report an active business.

Farm loans are on a 5½ per cent basis, with a moderate business going on. Naturally the large insurance companies have considerable capital in the market for this line of business, but they are not disposed to make loans at less than 5½. Local institutions quote the farm loan market 5½ to 6 per cent. There is no such activity in this department as in city real estate.

Dragging Tendency of Trade

Mercantile and manufacturing business has a dragging tendency, although there are no discouraging elements in the general situation. Fundamentally the country is sound, but there seems to be a spirit of caution abroad in the land which holds trade back. As an illustration, bank clearings in Chicago last week were \$257,194,629, a decrease of \$16,158,695, or 5.9 per cent, as compared with clearings in the corresponding week last year.

The opinion prevails everywhere that this business depression will last until the supreme court renders its decisions on the trust cases, which will be regarded as a final interpretation of the Sherman act. It is believed that the uncertainty as to these decisions is more serious than that surrounding the work of congress on reciprocity, tariff and currency.

New York clearing house banks increased their deposits \$7,330,000 during the last week, and expanded their loans \$6,242,000. The total cash reserve was enlarged by \$1,509,600, but the surplus reserve was decreased \$330,000, due to the increased reserve requirement.

The reserve surplus now shown by the New York banks in the average figures is \$31,458,600, as compared with \$14,637,950 a year ago and \$17,406,625 two years ago.

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Formerly U. S. Secret Service
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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over
\$40,000,000.00



Banking Unity

Influential New York bankers have instituted a movement which may lead to greater uniformity of action in certain important directions, just as the French bankers and, to a certain degree the German bankers, act in harmony in matters of moment. The bitter rivalries that formerly existed among international bankers in this country, and which occasionally led to most unfortunate occurrences, have been so far modified that co-operation is now practised on all important occasions, such as the handling of large loans for foreign countries. This spirit of friendliness is spreading to other divisions of the financial community. Important developments are looked for in the not distant future affecting, primarily, foreign exchange operations though the outcome may have very far-reaching consequences.

In this particular branch of the banking business the Journal of Commerce says, conditions have for several years become more and more demoralized, until to-day they are well-nigh intolerable. Not only have the profits been cut to unreasonable limits, but there has sprung up a species of speculation most distasteful to the better class of banking houses. A body has been formed fully representative of the better element, and it is now engaged in an earnest effort to bring about a healthier state of affairs. The movement has not yet reached a stage permitting of a definite announcement, but it is understood that substantial progress has been made and that there is every prospect that the outcome will be salutary.

It is only within recent months that the existence of an agreement among French bankers regarding discounts has been realized by New York. The fact has been repeatedly noted that when one Paris bank changed its discount rate the same action was taken by all others at the same time. In other words, the private discount rate in Paris is not a hap-

azard matter, but has come to be almost as well defined as the official rate. In Berlin there has been a tendency in the same direction. In London the field is so much larger and so diversified that unity of action has not been attained, yet there also the conditions, according to our bankers, are better than here.

What might be termed the co-operative movement has manifested itself in various ways among our financial community. The joint action on the Chinese loan will occur to the mind. The course followed by national banks concerning the banking operations of the express companies and the elaborate plan evolved for issuing letters of credit and handling the foreign exchange business incidental thereto may be fittingly cited. The agitation for keeping an account of the output of commercial paper, though it has not yet accomplished the desired end, is significant of the tendency to act cohesively. Only a few weeks ago it was stated by certain mercantile interests that there seemed to be an understanding among the principal buyers of commercial paper not to accept anything under a specified rate. And has it not been frequently declared that the most powerful financial institutions have consistently refused to "break the rates" for call loans by forcing their abnormal surpluses on the market regardless of the return obtained?

Banking syndicates were never so common nor so comprehensive as they are to-day. One prominent bank has figured in syndicates headed first by J. P. Morgan and Company, then by Kuhn, Loeb and Company and later by Speyer and Company, while it is not uncommon for these leading firms to appear in the same transaction. The holding of banking conventions is stimulating co-operation and helping to improve what might be termed the ethics of the profession.



Pullman company says lowering price of upper berths has not helped demand.

Scrutiny of Banks

Bankers have learned that the New York clearing house has under consideration the appointment of clearing house examiners to conduct bank examinations and to put in operation a system of regulation similar to that in vogue in Chicago and St. Louis. Western bankers have been giving New York bank executives information on how the system works here and what it has accomplished. When Frank A. Vanderlip, president of the National City Bank, visited the West recently, he inquired into the examination and seemed favorably impressed with its possibilities in New York.

For several years New York banks have fought shy of the plan, which originated in Chicago, on the ground that conditions in the metropolis were different from those in other reserve centers and that it was not suited to Wall Street banking methods. Two or three bank failures, since the 1907 panic, however, have worked a change in sentiment.

Chicago adopted the examination system as a result of the failure of John R. Walsh's bank. In St. Louis the near failure of a trust company in 1907 brought it about. In these cities the system has worked smoothly. In only one case has the committee on management in St. Louis had to use stern measures to get a bank to change its practices and charge off paper which the committee held not good. The comptroller of the currency and the state bank commissioner have co-operated with the clearing house examiner. The examiner has three assistants and examinations are constantly going on.

He makes reports and suggestions to the committee on management, and such reports are furnished to the president of the bank, while each director is given notice that a report has been made. The information set out in these reports does not get beyond the committee.



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Despite the fact that Milwaukee newspapers, owing to their continued fight against the socialistic rule, continue to spread broadcast reports of the vast army of the unemployed supposed to be in Milwaukee at the present time, business generally shows well as compared with the same period a year ago, and conservative bankers and business men place the number of idle men at about 10,000, with the majority of these belonging to the unskilled labor element.

Factories as a rule are working full time and full handed with plenty of orders on hand to insure this condition until time for the fall orders to come in. Demand for loans at the banks is only about normal with deposits showing healthy balances. Daily clearings are generally ahead of the same time one year ago.

Bond houses report good sales, chiefly in the higher grade securities and indications are that the trade in securities for the summer months will exceed the sales made last year.

Wisconsin's View of Guaranty Law

One of Milwaukee's leading daily papers in a scathing editorial of the proposed guaranty law in this state has the following to say: "Very rarely in the history of the country has there been witnessed such a pell mell rush of state bankers to reorganize their institutions under the national banking law as is now in progress in Oklahoma. The phenomenon is newly developed, and by those who have studied the subject is easily understood. It is born of a desire on the part of prudent men in

the banking business to emancipate themselves from the operation of the stupid Oklahoma bank guaranty law. The law went into effect on October 1, 1908. In the year 1908, only one state bank was converted to the national system. In 1909 there were three. In 1910 there were seven. Thus far in 1911 there have been eighteen conversions, and during the last three months applications for conversion have numbered between seventy and one hundred, about sixty-five of them having been filed within the last thirty days and still awaiting action. . . . It would seem that some belief in some impending crash inspired the urgency of the applications and explained their unusual number at the present time. Surely after this Oklahoma stampede, coming at the close of three years' experience of the guaranty law, the shallowness of that measure and the charlatanism of the men who forced it upon Oklahoma as a remedy for the ill effects of bad banking must be apparent."

Graettinger in Bond Business

Martin A. Graettinger, formerly cashier of the Merchants and Manufacturers Bank of Milwaukee, and who resigned that position on account of failing health, has embarked in the bond and brokerage business with offices at 1401 Majestic building. Mr. Graettinger will handle only the better grade of bond issues and high grade commercial paper making a specialty of supplying the demands of country bankers among whom he has a wide and extensive personal acquaintance.

Robbers Attempt to Blow Safe

An unsuccessful attempt was made early in the morning of March 22d to blow the safe of the Bank of Shiocton, Wis., by three men who, after they had fired three shots in an effort to break through the heavy doors of the vault, made their escape on a hand-car. An investigation of the result of the three explosions revealed the fact that nitro-glycerine had been used but a bungling job, evidently the work of amateurs, had been done. Aside from the damage to the vault door no other loss was sustained by the bank.

New Bank for Appleton

A state bank for the west end of Appleton is again being agitated. A well known Appleton citizen is reported to be taking an active part in the enterprise and is said to have already enlisted a number of stockholders. This bank has been rumored for some time in the past but has always failed to materialize heretofore yet there is a feeling expressed among business men of Appleton that this time the new institution will be launched and that there is a field for a state bank there.

Looking Forward to Convention

Wisconsin bankers are now looking forward to the seventeenth annual convention of the state association to be held in Milwaukee, July 12th-13th. At that time the committee promises a program will be presented which has never been equaled before while the entertainment side will not be overlooked. The at-



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The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wis.

ESTABLISHED 1847

Capital \$500,000 Surplus and Profits \$500,000

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President	JAMES K. ILSLEY, President
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F. X. BODDEN, Mgr. Bond Department	F. A. KIRCHHOFF, Asst. Cashier
S. H. MARSHALL	G. A. RUESS, Mgr. South Side Branch
R. N. McMYNN	J. H. TWEEDY, Jr.
	GUSTAV REUSS
	C. C. YAWKEY

tendance promises to be large owing to the transportation facilities and the fact that many bankers out-in-state will combine business with pleasure. Another feature which will come more as an aftermath of the convention will be the proposed trip of a number of the bankers and their families by special train to Yellowstone Park. This feature is being arranged by the Wisconsin Banker as the result of many requests preferred by those who last year enjoyed the journey to Los Angeles at the time of the national convention.

Trust Company Gets Quarters

Arrangements are understood to have been closed for the leasing of the north half of the first floor of the Watkins block, Superior, Wis., to the new trust company which is headed by H. S. Swanberg of Minneapolis. It is the intention to start in fitting up the quarters for the new firm within a short time. The trust company will have a capital of \$50,000 and if the outlook is satisfactory to the promoters that amount may be increased. The concern will make a specialty of financing realty deals, which the banking laws prevent regular banking institutions from handling to any great extent. Mr. Swanberg and the men who are connected with the new trust company are also interested in a tract of 23,000 acres of land in Bayfield county which it is the intention to colonize during the coming summer.

New Bank Plans Ready

When Geo. N. Fratt, cashier of the First National Bank of Racine, was in Milwaukee a few days ago and questioned concerning the proposed new bank building for his institution he refused to definitely commit himself. However, plans for a building have been made and it is reported that if same is erected it will be almost a duplicate of the bank at Sheboygan except that it will be considerably larger.

Bank Opens for Business

The Farmers and Merchants State Bank of Kewanee has opened for business in temporary quarters. The work of installing the vaults and remodelling the building is being pushed as rapidly as possible and the new bank will move into its permanent quarters as soon as the work is completed.

Adopt New Statement Forms

At least two Milwaukee banks, the Marshall and Ilsley Bank and the Merchants and Manufacturers Bank, adopted unusually neat forms

typographically of the statements issued in response to the call of March 7th. In the case of the former bank a neat India tint board is used, which, folded once, just fits the ordinary envelope for mailing purposes and prominently displayed on what might be termed the first page, is the well known "trade-mark" of this institution. The Merchants and Manufacturers Bank has departed from their usual form of statement printed in colors and adopting some design emblematic of the manufacturing interests of Milwaukee, and now issues its statement upon an expensive paper and with no attempt at artistic work other than unusually neat display of plain type. One of the features of this statement is found in the sub-totals under resources and liabilities which shows at a glance in one instance, the actual cash reserve and in the other instance, the demand liabilities.

Association Shows Good Gain

Association Treasurer A. H. Grout, of Wausau, reports the collection of membership fees for 1911 for the Wisconsin Bankers Association as showing a good gain in membership over 1910. In January, Secretary Bartlett made draft on every bank and trust company in the state, thus giving non-member banks an opportunity to become members without formal application. Of the 684 drafts but fifty-five were returned unpaid. These latter will hear from their group secretaries and may be induced to become members of one of the most

active bankers' associations in the United States.

Mutual Insurance for Banks

Wisconsin State Insurance Commissioner Ekern will recommend that the present law regarding organization of insurance companies be amended so as to permit the bankers of this state to organize a mutual insurance company for their own protection, thus permitting them to insure against fire and burglary, also to cover various kinds of bonds and insurance of deposits. Insurance companies have taken good profit from Wisconsin banks and it is thought that a mutual insurance of deposits under association supervision would be preferable to guaranty of deposits without any right of examination.

Watermarked Safety Paper

The manufacturers of the new safety paper which has been adopted by the Wisconsin Bankers Association for the protection of members, have announced that this paper will be on the market during the first part of April. As this paper is for the special protection of members of the association the sale of it will be limited to such printers and lithographers as will agree to limit its use to bank checks, bank drafts and certificates of deposit manufactured for banks which are members of the state association.

Banking Notes of Interest

F. P. Ainsworth, receiver of the Bank of Clear Lake, has purchased the Old National Bank building and fixtures in Ladysmith and expects to organize a state bank in that city in the near future. The consolidation of the Ladysmith National Bank and the State Bank of Ladysmith was effected last October and since then there have been many rumors of a new bank for that town.

The Commercial Bank of Chilton has been organized with a capital of \$25,000. The incorporators are F. J. Egan, Herman Paulson, Theo. Schultz and others. The State Bank of Patch Grove has also applied for a charter with capital stock of \$10,000. The incorporators are Frank Kalb, E. C. Adams, E. L. Case and others.

L. A. Anderson of Gardner, N. Dak., will become cashier of the First National Bank of Edgerton about May 1st. Mr. Anderson has had many years' experience in the banking business and is at present connected with the bank at Gardner.

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G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Mo., March 29.—Money with all the larger banks in St. Louis continues plentiful to a degree, and quietness featured the demand for credits throughout the week. While some institutions are well loaned up, others have not been pressing things to dispose of their funds, believing the present rates too unattractive, and hoping for betterment in rates, due to the demand from the South and Southwest which is expected to develop within the next forty to sixty days. The long period of easy money is beginning to wear on the nerves of certain bankers, and disposes them to the belief that the entire year will be one of low rates.

It is admitted that the first three months are always the easiest from a monetary standpoint, but the first quarter of this year has been unusually so, and this is taken as an indication that the coming nine months will be correspondingly soft in the money market. Others, however, say the less hopeful brethren take their frame of mind from the tone of the market, and that things will pike up in due course of time, especially as fundamental conditions are extremely healthy. A feature has been the slowness in the demand for call loans, and few bankers want to place money for long terms at the inducements now offered by borrowers. Deposits are decreasing slowly, much more so than is usually the case at this season. Thus far the demand from the South has been moderately active only, but institutions with largest Southern connections have been best off in the present slow stage of the market. Requirements locally are easily taken care of, and rates remain unchanged in the range between $4\frac{1}{2}$ and $5\frac{1}{4}$ per cent in the extremes.

Galbreath has Returned

George W. Galbreath, cashier of the Third National, has returned from California after a vacation of several weeks. Mr. Galbreath appears in excellent health and says he is ready for another year's work.

Huttig Entertains Bankers

Charles H. Huttig, president of the Third National, entertained F. O. Watts, president and William Livingston, vice-president, of the American Bankers Association last Saturday. The purpose of their visit to St. Louis was a meeting of the administrative committee of the association. Mr. Huttig said the meeting was adjourned to Washington, D. C., this week.

Missouri Bank Deposits

According to the latest statement of Comptroller of the Currency Murray the national banks in Missouri, exclusive of St. Louis, and

Kansas City, have an aggregate of \$28,788,934 in individual deposits. Two months ago these same banks contained a total of \$28,288,808 of individual deposits. The total liabilities and resources of the banks is placed at \$47,584,101, as compared with \$46,779,900 on the earlier date. Loans and discounts amounted to \$26,484,197 against \$26,242,533 in January. Outside of St. Louis and Kansas City there are 107 national banks in Missouri.

St. Louis Stock Exchange

The nominating committee of the St. Louis stock exchange has just completed its slate, which will be voted on April 1st. William M. Louderman heads the ticket, to succeed Louis Barklage, who served as president last year. Mr. Louderman is now vice-president, and it is the time honored custom of the exchange to have the vice-president succeed to the presidency. Charles McLure Clark is named for vice-president; B. C. Jenkins for treasurer and A. B. Grant for secretary. The following are named for directors to serve until 1913: Louis Barklage, J. D. P. Francis, A. H. Brown, J. W. Donaldson and F. H. Semple. No contest will take place, as the slate formulated by the committee is the result of a thorough canvass of all members, and in former years it has been elected practically unanimously.

United Railways Financing

Failure of the compromise between the City and the United Railways on the mill tax proposition and other points, to pass has proved a great disappointment to local bankers and financiers generally. This measure would have

facilitated the financing of underlying obligations, which are falling due. The underlying obligations aggregate \$18,711,000, and more than half mature from year to year between 1911 and 1918, and the rest between 1920 and 1923.

New Banking Legislation

John E. Swanger, state bank commissioner for Missouri, has given out the following statement concerning recent legislation affecting banks and trust companies: "Although there were no sweeping changes in the banking laws with reference to banks and trust companies, there were five bills passed by the general assembly affecting them. The most important of these changes is found in senate bill No. 102, which is a bill increasing the examination fees to be charged the banks and trust companies in order that the revenue from this source might be sufficient to defray the expenses of the banking department. It will be remembered that during the last biennial period it was found that the fees charged fell short of the amount necessary to run the department by about \$21,000. The increase of the fees makes up this shortage. House bill No. 141 is designated to give relief to private banks with a capital of less than \$100,000 and which were established before the law was enacted requiring a capital of \$100,000 in a city of 150,000 or more inhabitants; and provides that if such banks are located in cities of 150,000 or less than 500,000 and not closer than three miles to the main post office building, they may incorporate with their present capital, if they now have an unimpaired capital of not less than \$10,000.

Against Untrue Statements

"Another measure, which has been signed by Governor Hadley, makes it a misdemeanor to make, utter, circulate or transmit statements untrue, in fact derogatory to any bank, trust company, insurance company, guaranty or fidelity company or other financial institution. The penalty is a fine or imprisonment or both. House bill No. 695 affects all corporations, hence would affect banking companies as well. The bill provides that officers and directors of a corporation who purchase property for a corporation above the actual value of said property, shall be liable to the excess price paid therefor. Senate bill No. 309 provides for the incorporation of a mortgage loan company, with power to loan money on real estate in Missouri only and to issue debentures thereon equal to 90 per cent of the first mortgage loan, with restrictions and limitations and providing also that these companies shall be subject to ex-

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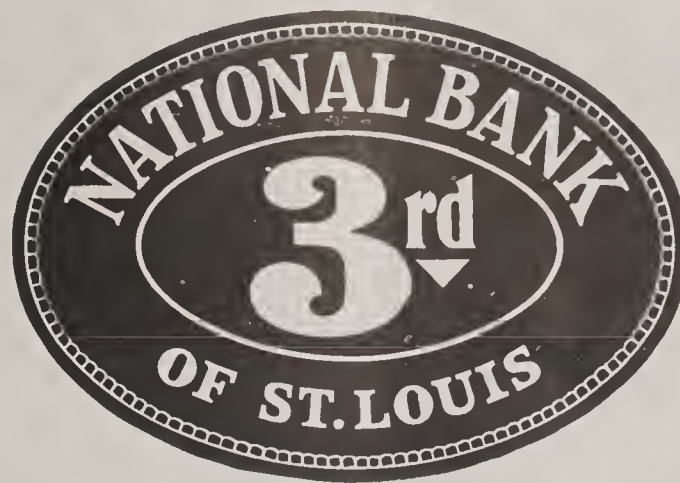
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George M. Hard	- - -	Chairman	Henry L. Cadmus	- - -	Assistant Cashier
Frank J. Heaney	- - -	Vice-President	Norborne P. Gatling	- - -	Assistant Cashier
William H. Strawn	- - -	Vice-President	Walter B. Boice	- - -	Assistant Cashier
Alfred M. Bull	- - -	Vice-President	Henry C. Hooley	- - -	Assistant Cashier

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individual



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG, President
T. WRIGHT, Vice-President
G. W. GALBREATH, Cashier
J. R. COOKE, Assistant Cashier

D'A. P. COOKE, Assistant Cashier
R. S. HAWES, Assistant Cashier
H. HALL, Assistant Cashier
E. C. STUART, Assistant Cashier

amination and control by the bank commissioner, the same as banks and trust companies."

Arkansas Banker Convicted

Advices from Bentonville, Ark., state that Fred Dazy, formerly cashier of the Siloam Springs, Ark., State Bank was found guilty of receiving funds for deposit when the bank was insolvent. He was sentenced to three years in the state prison.

NATIONAL BANK REPORTS GOOD

Washington, March 28.—National banks of the country are shown to be in a condition which treasury officials consider favorable, under their reports covering the close of business on March 7th. The figures were completed to-day.

The 7,216 banks are holding \$94,604,495 more than the law requires in their reserves and show gains of \$155,000,000 in loans and discounts, \$71,000,000 in cash and \$191,000,000 in deposits, over the report of January 7th. The Pacific and western states are the only ones to show losses. The western states contracted loans and discounts aggregating \$843,000 and lost \$200,000 in cash. The Pacific states reduced loans \$7,000,000 and lost \$800,000 in cash.

The total gain of \$191,000,000 in individual deposits is more or less artificial, as the preceding call made on January 7th was on Saturday, a half banking day, and the loss shown was occasioned by that fact.

Since the last call the banks have decreased their circulation \$3,400,000, though that item stands \$11,000,000 ahead of March, 1910. General increases are shown in all items, as compared with March, 1910. Loans and discounts jumped \$125,000,000.

OKLAHOMA MEETING IN MAY

Oklahoma City, March 30.—The annual convention of the Oklahoma Bankers Association will be held this year in Oklahoma City, Monday and Tuesday, May 22d and 23d. The place and time were fixed at a meeting of the executive committee of the association here March 25th. One reason for choosing the date named is that it comes between the Texas and Kansas-Missouri conventions, the former being on May 16th-17th-18th and the latter on May 24th-25th. Visiting bankers can go from Dallas to Oklahoma City and thence to Kansas City without losing much time.

It is expected that the feature of the first

day of the convention will be an address by Hon. Edward B. Vreeland on the "Reserve Association of America" plan. The program committee announces that all subjects discussed will be handed by practical bankers in order to get as much good from the convention as possible.

A committee of Oklahoma City bankers will have charge of the entertainment and social features. A grand ball will be given the evening of the first day. Several hundred rooms have been secured by the association and those desiring to make reservations can do so either through the secretary, W. B. Harrison, Enid, Okla., or by writing direct to the hotels. The Lee-Huckins will be headquarters.

Oklahoma bankers anticipate a large convention.

NOTICE OF BOND SALE

The Hood River Irrigation District, Hood River, Oregon, will sell \$70,000.00 completion bonds at the office of its secretary on April 17th at 2 p. m. The irrigation district is not a Carey Act project but is organized and operates under state law practically the same as a school district. These bonds bear 6% interest, semi-annual, are retired in 20 years, and are a first mortgage on the lands of the district, and a prior lien against the lands to everything else. The District has been operating 5 years and must now complete its system. The lands within the District are mostly bearing orchards and strawberry fields, and were last year assessed for state and county taxes at \$820,701.00. Further information will be furnished by

R. W. KELLY, Secretary.

\$120,000.00

City of Elizabeth City (N. C.) Bonds For Sale

Bids will be received for the purchase of \$120,000.00 of City of Elizabeth City, N. C. Bonds, issued by the said City for Curbing and Street Paving purposes. Bonds to be in denomination of \$1000.00 or more, and to bear interest from date to run thirty years from issue, and to bear interest at five per cent, per annum, interest payable semi-annually. Bids to be accompanied by certified check for \$5000.00 payable to the City Treasurer of said City. Check to be returned to bidder in case bid is not accepted. Otherwise to become the property of said City and to be applied as payment on Bonds if the bid is accepted. Bids to be filed with the Mayor of the City on or before the 5th day of April, 1911, at eight o'clock P. M. Bids not in accordance with the above advertisement will not be considered. The right to reject any or all bids is reserved.

Z. FEARING, Mayor.

American Telephone and Telegraph Co.

A dividend of Two Dollars per share will be paid on Saturday, April 15, 1911, to stockholders of record at the close of business on Friday, March 31, 1911.

WM. R. DRIVER, Treasurer.

BANK STOCK QUOTATIONS

Among the more active Chicago bank stocks quoted by John Burnham & Co., 159 LaSalle Street, are the following:

	BID	ASK	Book Value
Ashland State Bank.....		110	104
Austin State Bank.....	300		241
Calumet National.....	150		144
Central Trust Co.....	174	176	146
Chicago City Bank.....	185		145
Chicago Savings.....	143	147	122
Citizens Trust.....	165		120
City National (Evanston).....	300		229
Colonial Trust.....	180	183	179
Continental & Commercial.....	280	282	169
Corn Exchange National.....	426	430	289
Drexel State.....	155	161	116
Drovers Deposit National.....	222	228	173
Drovers Trust.....	183	190	167
Englewood State.....	130		122
Farwell Trust Co.....	112	115	115
First National.....	420	422	272
First National (Englewood).....	280		221
Fort Dearborn.....	220	230	132
Hibernian Banking.....	222	227	169
Illinois Trust.....	495	498	280
Kaspar State Bank.....	260		190
Kenwood Trust.....	151	155	125
Lake View Trust.....	139	144	125
La Salle Street National.....	115	118	125
Live Stock Exchange National.....	243	250	143
Merchants Loan.....	435	438	304
Metropolitan Trust.....	127	130	131
Michigan Avenue Trust.....	135	138	130
Monroe National.....	130	135	122
National Bank Republic.....	199	202	166
National City.....	230	232	133
National Produce.....	145	148	135
North Avenue State.....	138	141	135
North Side State.....	160	175	164
Northern Trust Co.....	314	318	268
Northwest State.....	123	125	112
Northwestern Trust.....	158		137
Oak Park Trust.....	236	240	190
Peoples Stock Yards State.....	218	223	137
Peoples Trust and Savings.....	177		130
Prairie State.....	250		115
Pullman Trust.....	159	164	188
Railway Exchange.....	125		113
Security Bank.....	210	215	169
Sheridan Trust & Savings.....	113	115	110
South Side State.....	144	146	106
South Chicago Savings.....	151	153	147
Standard Trust.....	134	136	127
State Bank of Chicago.....	376	378	228
State Bank of Evanston.....	298	300	237
Stockmen's Trust.....	115	120	118
Stock Yards Savings.....	209	214	177
Union Bank (Chicago).....	145	150	122
Union Trust Co.....	300		202
Washington Park National.....	138		108
Wendell State Bank.....	110		122
Western Trust.....	149	151	115
West Side Trust.....	200		165
Wilmette Ex. State.....	120	130	108
Woodlawn Trust.....	189	192	132

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FRED'K P. McGLYNN
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HENRY S. BARTOW
Assistant Cashier

HENRY P. DAVISON
Chairman Executive Com.



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CAPITAL, SURPLUS AND UNDIVIDED PROFITS
\$3,700,000.00

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - - \$1,500,000
Surplus and Profits 500,000
Deposits - - 21,000,000

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COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
January 7, 1911	16,736,997.29
March 7, 1911	21,574,956.79

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Kansas City bankers generally feel entirely satisfied with the financial situation in the Central West although the volume of business has not improved greatly since the first of the year. The rate on cattle and other commercial paper continues low as the demand has not yet set in for the feeding season. Cold rains have held back the cattle buying market which is expected to start with a rush about the middle of April.

"There is not much to say concerning the situation here," said J. R. Dominick, president of the Traders' National Bank of Kansas City to the representative of THE CHICAGO BANKER. "As a matter of fact we are simply waiting developments which are bound to come within a week or so. Kansas City is an important factor in handling cattle and farm products and as the agricultural situation is satisfactory in every way I see no reason why our business should not be normal for the spring and summer."

Failure of Guaranty Law

Doubt no longer exists that the Oklahoma bank deposit guaranty law is a failure from the bankers' standpoint. Even some of those state bankers who were most enthusiastic supporters of the measure are now seeking to evade it by becoming nationalized and the rush among Oklahoma state banks to secure exemption from this regulation by federal incorporation has become almost a rout. When Governor Cruce was inaugurated about the first of the present year there were whispered protests against the law and demands that the condition of the state guaranty fund be examined. A committee was named and the examination was made but the findings have not been made public.

The calls upon the state bankers to help out the fund have been so numerous and so burdensome that since January 1st this year about 100 state banks have become nationalized and reports from Washington say that more than eighty similar applications from Oklahoma

state banks are waiting action. The Oklahoma bank deposit guaranty law went into effect October 10, 1908. The records of the office of the comptroller show that in 1908 only one Oklahoma state bank became nationalized. In 1909 there were three and in 1910 seven. It is the belief of many bankers that the decision of the United States supreme court upholding the guaranty law was a surprise to most Oklahoma financiers and that this accounts for the rush for nationalization. The national bank examiners in Oklahoma have asked for assistance owing to the fact that all their time at present is taken up in passing upon state banks that have applied for national charters. An interesting indication of the banking situation in

Oklahoma is found in this statement quoted from Frank Ketch of the Lawton State Bank:

"Yes, the name of the bank from this morning will be the Lawton National Bank. The bank guaranty law is a failure. We could not stand the heavy assessments and so have determined to convert our institution into a national bank."

Up to the first of the present year there were approximately 700 state banks in Oklahoma.

Lower Bank Taxation

The campaign waged by the legislative committee of the Missouri Bankers Association to secure a reduction in the tax assessment on bank stock has been successful. The state board of equalization has adopted the suggestion offered by the bankers' committee and hereafter the rate will be 50 cents on the dollar instead of 55 cents, which rate has prevailed for many years. The reduction will cause no material loss of revenue to the state but will be a blessing to thousands of owners of bank stock in the state, a large percentage of whom are farmers.

Occupies New Building

The removal of the Missouri Savings Bank of Kansas City to its new building, 920 Walnut Street on Monday, March 27th, was a gala event in Kansas City business and financial circles. The beautiful banking rooms of the new building which is finished in marble and bronze, were gay with flowers most of which were tributes from other local banks. During the day hundreds of bankers and business friends of the officers of the Missouri Savings Bank called to offer their congratulations. Watt Webb, who organized the bank in 1886 and still remains its president, was present to receive the guests, and others who formed the reception committee were W. S. Webb, cashier, C. A. Middaugh, assistant cashier and Watt Webb, Jr., assistant cashier.

Clearings are Lower

Kansas City dropped from sixth to eighth place in the bank clearings record last week,

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West Broadway and Chambers Street, New York

having made way for Pittsburgh and Cincinnati. The other banking cities in the Central West held their own and in one or two instances showed an improvement. The general business situation in this territory, however, is slow even for this season of the year. Various periods of unsettled weather with cold have kept back business in spring merchandising. St. Joseph, Mo., which has had a splendid record for bank clearings since the first of the year, indicates substantial strength. Omaha has fallen back 13.8 per cent.

Miscellaneous News

At the annual election of the Pioneer Trust Company of Kansas City last week the following officers were chosen for the coming year: Walton H. Holmes, president; Conway F. Holmes and Charles S. Gleed, vice-president; B. H. McGarvey, secretary; Emil W. Moore, treasurer and W. S. Woods, trust officer. The executive committee will be composed of W. D. McLeod, C. F. Hutchings, A. W. Childs and E. P. Pratt.

J. E. Moore, formerly president of the Kiowa State Bank of Snyder, Okla., has moved to Cherokee, Okla., where he assumes the active management of the State Bank of Cherokee. He will retain his banking interests at Snyder.

Among the new laws of Missouri affecting banks is one making it a misdemeanor to circulate false statements derogatory to the financial condition of any bank in the state.

The Continental Trust Company which was recently organized in Oklahoma City, Okla., with a capital of \$500,000, will open its doors for business April 10th in the building on West Main Street formerly occupied by the Oklahoma City National Bank. The building has been thoroughly remodeled.

A United States deputy marshal found an outfit for making \$5 gold pieces in the home of John Martin in Kansas City, Kan., last week. Martin and Thomas Clifford, a horse trader, were arrested.

A case of mysterious disappearance is that of L. R. Taubener, cashier of the State Bank of Tulsa, Okla., and it is puzzling the officers of the bank and the police authorities. Taubener has been missing a week and was last seen on the streets of Muskogee where he

went to look after some business. A bank examiner went over his accounts and found them all right. Taubener is 35 years old and has a wife and two children at Tulsa.

The Jefferson Trust Company of McAlester, Okla., will establish a branch office at Oklahoma City April 1st, with Elmo A. Gill as manager.

T. H. Malott, president of the Citizens Bank of Abilene, Kan., died last week after a short illness. He was 73 years old and for many years had been a leading citizen of Abilene.

The Trenton National Bank of Trenton, Mo., has let the contracts for a new banking building. It will be fireproof and of steel and stone construction.

The Security State Bank of Enid, Okla., organized a year and a half ago, and the Oklahoma State Bank of the same place and which was one of the oldest banking institutions of the state, have consolidated. The officers and stockholders of the Security State Bank purchases the controlling interest in the Okla-

homa State Bank. The new officers of the merged institution are T. M. Crump, president; Frank L. Hamilton, vice-president; A. N. Pyle, cashier. The capital stock was increased from \$50,000 to \$100,000.

W. R. Houston, of Houston, Fible and Company, bond and stock brokers of Kansas City, has returned from a business trip to New York and Chicago.

Among the visitors with the Kansas City bankers last week were: M. Jones, president of the Bristow State Bank of Bristow, Okla.; J. W. Williams, president of the Texhoma State Bank, Texhoma, Okla.; J. M. Berry, cashier of the Central National Bank of Tulsa, Okla., and J. R. Mulvane, president of the Bank of Topeka, Topeka, Kan.

L. S. Nofztger, formerly president of the Fourth National Bank of Wichita, Kan., who was convicted of selling stolen postage stamps, was found guilty and sentenced to a term of fifteen months in prison and to a fine of \$5,000.

The first trust company for Okmulgee incorporated under the new Oklahoma law has been organized by T. A. Johnson, owner of the First National Bank of Morris, Okla.; S. F. Shumaker of Chicago and Judge McC Corey of Muskogee.

Municipal bonds of Fort Worth, Texas, to the amount of \$2,000,000 and drawing interest at the rate of 5 per cent have been awarded to the Commerce Trust Company of Kansas City as the successful bidder. This deal is one of the largest ever handled by a single Kansas City financial institution.

Abner Davis, president of the Night and Day Bank of Oklahoma City has become a baseball magnate. For the sum of \$19,000 he has purchased the Oklahoma City baseball franchise in the Texas league.

IOWA NATIONAL PROMOTIONS

Iowa National of Des Moines has been getting along without assistant cashiers, but it is said to be contemplating this more modern plan of staff equipment. At least three will be required and thus the official staff will be doubled. The present officers are Homer Miller, president, H. S. Butler, vice-president and H. T. Blackburn, cashier. This official expansion has been in contemplation for some time.

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The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

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Editorial Comment

A STATE OF CURIOUS INCONSISTENCY

A few years ago when one of the present mayoral candidates was retiring from office two of Chicago's leading papers praised him highly. They now are opposing his re-election and candidate Harrison is running their own former editorials as paid matter in their own advertising pages. At the same time he is suing one of the two for libel for reprinting former editorials taken from the columns of a paper which now is supporting him. What a farce! Mr. Harrison now is no better nor any worse than he was eight years ago yet the papers—reform papers at that—have so far changed sides that each now is using the former editorials of the other as damaging campaign material. What then was abusive and probably libelous now is being reprinted in full by the opposition. What then was commendatory is being run as paid advertisement. If the voters pay any attention whatever to the matter of newspaper advice as to which are the worthy candidates they must be fat witted indeed.

If Harrison was a wise and able ruler at the end of four terms as mayor of Chicago, and the papers being free from the party lash and in a truth telling mood said so, they should be supporting him to-day, or, at least not lying about him and forswearing the record. Politics is nasty business at best, but in the editorial columns of the city papers one expects truth and consistency. The voters will do well to weigh the matter carefully and vote for the best man regardless of such queer editorial advice.

CUPIDITY THE CAUSE

The cause of nearly every downfall of note in the banking business can be explained by the one word—"cupidity." The millionaire Wichita banker fell because he could not refuse a chance to "make" less than three hundred dollars by buying from an equally diseased morality—the chief of police—stolen postage stamps. Risky? It was desperate. Yet it was the same incentive which has operated in nearly every case. Cassie Chadwick had the wisdom to discover this weakness in men and the cunningness to play the game to the finish. Ninety per cent of the look-out notices from the secretaries never would be sent if the banker when asked to "discount" a worthless check could resist the longing for a little more than the regular rate. One huge "fall" began when a banker of many vast enterprises kept raising his terms with the underwriters of his securities until they "quit" and he had to attempt to carry his loans in his own bank on dummy notes. Had he been willing to continue putting them out at 96 or even at 98 he would have remained a power instead of a "wrecker." He was unwilling to see them make even their narrow margin of profit. Generally the over-

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

mastering longing for gain leads up to the precipice. Be old fashioned and regular if you would last long in the land and be happy.

NASHVILLE MEETING GROWING IN IMPORTANCE

Word comes from Washington that Senator Aldrich is expected to attend the Nashville meeting of the A. B. A. executive council. This situation has grown out of the meeting in Washington between the national monetary commission and the currency commission of the American Bankers Association. The principal difficulty reported thus far is the problem of what would become of the state banks if the Aldrich plan should become a law. The nearest they got to a solution was the suggestion that state banks should be brought under federal charters. This only could be done by enlarging the privileges of the national banks in the matter of loaning upon real estate and otherwise by giving them the same broad field enjoyed by the state institutions.

The meetings in Washington are not open to the public and it is not likely that any agreement between the two currency commissions will be reached. If Senator Aldrich should come to the Nashville meeting, it would be in the guise of a speaker at the council banquet. This would add greatly to the importance of the Nashville conference between the members of the council and members of the association committees. Mr. Forgan gave it out at Washington as his opinion that the conference had indicated its general approval of the Aldrich plan, but that a great many details would necessarily come up for consideration.

Among those who attended the conference as representative of Western banking interests are J. B. Forgan and Geo. M. Reynolds of Chicago, Festus J. Wade of St. Louis, John Perrin of Indianapolis, Luther Drake of Omaha, John L. Hamilton of Illinois, and Arthur Reynolds of Iowa. Robert Wardrop was there from Pittsburgh and M. T. Herrick from Cleveland. The public will be very much interested in any decision which this important body of men may reach as to what changes must be made in our financial system. The meeting at Nashville probably will be more important both to bankers and to the public than any other council meeting in the history of the American Bankers Association.

SAVINGS BANK CONDITIONS

The address delivered on Tuesday night before the New York chapter of the American Institute of Banking by Lucius Teter on American savings bank conditions furnishes one of the most interesting banking documents of recent times. Mr. Teter is classed among the younger bankers of the country, yet it may be said to his credit that besides other valuable experiences he has founded and brought to a high state of perfection a modern savings institution in a more than ordinarily difficult field. Chicago had been well served by old established banks and the nationals were constantly entering the field with savings departments or with allied trust companies under state charters. A part of the fine showing made by the city of Chicago in its growth of savings deposits is attributable to Mr. Teter and his modern savings institution.

In his New York address he treated the savings bank problem as one of the most interesting features of American finance. He advised all students connected with the New York chapter and elsewhere to give it their careful and earnest attention. He believes that the handling of the reserve sums of money owned by the saving people of the United States takes first rank among the accomplishments of American bankers. High compliment was paid to the National Monetary Commission for furnishing its long list of splendid reports accompanied by exhaustive statistics. To illustrate the growth of the savings business of the country Mr. Teter called his hearers' attention to the fact that in Chicago as late as 1892, savings deposits barely reached nineteen millions of dollars. In 1911 they were far over one hundred and ninety millions. He pointed out that while Chicago has had and is having rapid growth in population, the thrifty habits of the people are increasing still more rapidly. A survey of the general situation indicated that in the newer settlements the ratio of increase has been greater than in Chicago and that in the older sections the growth had been not so great. Probably Chicago shows a fair average of the savings gains for the entire country.

In all of his talk Mr. Teter wished it to be understood that his use of the term "savings bank" should be understood to mean incorporated banking institutions accepting savings deposits and turning these funds into community use. He divided them into three classes, putting mutual banks without capital into one class; capitalized banks, state banks, and trust companies under state banking laws into the second class. In the third class he mentioned national banks organized and operated under federal law. He gave the total number of all such institutions in the United States for 1909 as 10,989. Of this number 627 are mutuals, half of the total number being in Massachusetts and New York. Illinois is not named in this

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list. The mutual banks handle about 55 per cent of the entire deposits of the country. In enumerating the state savings institutions which number over six thousand, the speaker called attention to the fact that within ten years thirty states have passed improved banking legislation. The speaker classed exclusive savings banks as ideal, but called attention to a very large field which could not be served by them where the more useful institution is the one doing a general banking business as well as a savings business. Nearly three thousand national banks are conducting savings departments. He recognized that they have met a situation not contemplated or provided for in the original law and that they are filling the greater law of supply and demand most admirably. America has more than fifteen million depositors with sums to their credit of more than five and one half billions. It was predicted that savings deposits will increase with much greater rapidity in the future than they ever have in the past.

Toward the close of his address Mr. Teter spoke directly to the chapter men upon the great demand for trained men in the banking field. He always has been a strong advocate of chapter educational methods and believes that they are doing a wonderful work. He urged the young men to not only study banking and corporation law but to carefully study our whole country, its people, and public conditions. He told them that banking problems are not to be solved according to local standards. As an instance he pointed out that railway bonds probably are the best secur-

ities for savings loans in New York state, but that in Arkansas cotton would take first rank; that the Texas savings money was loaned securely upon cattle and that in Illinois it is safely loaned on corn and wheat. Students of the institute were advised to take a broad view and to get the best technical training possible. He indicated the great work being done by the American Bankers Association, by the various state associations, and by the group organizations. He advised all of his hearers to become as active as possible in association work to their own benefit and to the general welfare of all bankers.

PROBLEMS OF RURAL LIFE

Joseph Chapman, Jr., the Minneapolis banker, in his Chicago speech last week, discussed the problem of rural schools as they affect farm life. Mr. Chapman believes that the decline of population in many farming communities and the prevailing discontent among young men and women are due in a great measure to defects in school training. It will be found that farmers, business people and educators agree with his conclusions.

The district school has not risen to its opportunities. It has not kept pace with an advancing civilization. For this the farmers themselves are to blame. They have not spent money enough on their schools. Cheap teachers and unsuitable buildings have hampered the cause of education in farming districts. Boys and girls of rural America have grown up without pride in their surroundings or an intelligent interest in agriculture. Their

schools have failed to supply the right kind of education. The old-fashioned farmer has made life unattractive and hard for his children. Through narrowness and parsimony he has kept the country school on a low plane. The whole nation suffers as a consequence and public sentiment is being aroused to the need of a radical change in the conditions surrounding rural life.

From one end of the country to the other a demand has gone forth for immediate and positive reforms. Leading educators, farmers' institutes, commercial associations and all students of sociological affairs are united in seeking means for improving the educational facilities in country districts. It is the contention that more money must be spent on rural schools. It is thought that by more generally adopting the plans of consolidating these district schools, better buildings and more competent teachers can be secured without making taxation excessive. Education suitable to the needs of country boys and girls will naturally follow.

Rural schools ought to afford some practical knowledge of modern agriculture. They ought to stimulate a love for farm life and show the folly and danger of forsaking the farm for a career in town. A patriotic public spirit along this line might be aroused by a suitable educational system in the country.

The Farmers State has been organized at Danzig, N. D., to open July 1st. Incorporators are George Gackle, Peter Belligmeier, Christ Hieb, Michael Hieb.

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INVESTMENT SECURITIES

Convention Dates

- ARKANSAS—Little Rock, April 6 and 7; Secretary, Robt. E. Wait, Little Rock.
- SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.
- LOUISIANA—Baton Rouge, May 2 and 3; Secretary, L. O. Broussard, Abbeville.
- FLORIDA—Ocala, May 10 and 11; Secretary, Geo. R. DeSaussure, Jacksonville.
- MISSISSIPPI—Greenwood, May 10 and 11; Secretary, Richard Griffith, Vicksburg.
- TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.
- MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.
- KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.
- TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.
- SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.
- GEORGIA—Atlantic Beach, Fla., June 8 and 9, or Warm Springs, Ga., same dates; Secretary, L. P. Hillyer, Macon.
- PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.
- CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.
- IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.
- VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.
- MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.
- MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.
- NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.
- NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.
- NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.
- OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.
- WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

BANK CLERKS ON STRIKE

On the east side of New York City the Jewish bank clerks have organized and affiliated themselves with the United Hebrew trades, a central body comprising 125 unions.

The bank clerks demand more wages and shorter hours of labor. All but two of the banks combined against them and refused the clerks' demands. So several hundred clerks and bookkeepers walked out. The bankers are coming to time, however, and this is how the strikers worked it.

The men and women walk about the district withdrawing their savings from a "bad" bank and deposits them in a "fair" bank. Then they reverse the process. One depositor will take his little savings out of a bad bank, and put them into another bad bank, just to make the strikebreakers work—and the clerks are overworked, counting money, opening new accounts and closing accounts.

The bankers, it is claimed, are on the verge of granting the demands of the striking clerks and bookkeepers.

INCOME TAX IN DOUBT

New York, March 30.—Nine more states must ratify the proposed federal income tax amendment before it can become a part of the constitution. Reports received here from the capitals of the forty-six states show that the amendment has received favorable action in the joint legislatures of twenty-six.

Three states, Vermont, Rhode Island, and Utah, have refused to ratify the amendment at this year's legislative sessions. Among the sixteen which have not acted this year the question is now pending in the legislatures of Louisiana, New York, Massachusetts, Maine, Connecticut, Pennsylvania and New Jersey.

The matter is scheduled to come before the legislature of Florida next month. West Virginia has postponed action and the states of Arkansas, Tennessee, Wyoming, Minnesota and Delaware have not considered the matter.

The amendment passed congress in the form of a resolution on July 5, 1909. It seeks to add to the constitution a new article, No. XVI, reading as follows:

"The congress shall have power to lay and collect taxes on incomes, from whatever sources derived, without apportionment among the several states without regard to any census enumeration."

The constitution provides that proposed amendments to become valid must be ratified by three-fourths of the states. This necessitates favorable action by thirty-five of the forty-six states before the government can proceed with this method of increasing its revenues. There is no limit to the time of such ratification and negative action by a legislature is not conclusive, a state having the right to reverse its judgment.

At the close of 1910 the amendment had been ratified by only Alabama, Georgia, Illinois, Maryland, Mississippi, Oklahoma and South Carolina, while last year the legislatures of Louisiana, Massachusetts, New York and Rhode Island refused to adopt it, and the other states took no action.

Since January 1, 1911, the following nineteen additional states voted favorably: California, Nevada, Montana, Washington, Oregon, Idaho, Texas, North Carolina, Kentucky, North Dakota, Ohio, Iowa, South Dakota, Nebraska, Kansas, Indiana, Missouri, Wisconsin and Michigan.

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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

SAVANNAH CHAPTER

The March meeting of the Savannah Chapter was held on the 9th inst., in the rooms of the chapter at which time the officers to serve the chapter for the ensuing year were chosen and a committee was appointed to arrange for the annual banquet of the chapter, which it was agreed would be at the Casino on April 21st.

After the regular business had been disposed of, President Taylor turned the chair over to the chairman of the nominating committee who presided during the election. For president, the nominating committee presented the name of R. J. Taylor of the Citizens and Southern Bank for re-election and the chairman called for a vote. Mr. Taylor was unanimously and enthusiastically elected for his third term despite his protestation that he should be allowed to retire after having served the chapter as president since its organization two years ago.

Chas. E. Stanton, Jr., of the National Bank of Savannah was nominated and elected vice-president for his third term as the chapter feels safe in entrusting to competent and faithful officers, the guidance of its affairs for another term.

The office of the secretary and of the treasury were, on motion, combined and the office of assistant secretary created. Louis Rubanovitch of the Savannah Trust Company was elected secretary and treasurer to succeed Valmore W. Lebey who had served the chapter as secretary faithfully and willingly since its organization. H. W. Johansen of the Commercial Bank was elected assistant secretary.

A board of governors was then chosen composed of the following gentlemen:

S. W. Lewis National Bank of Savannah, chairman; Joe J. Gleason, Citizens and Southern Bank; R. L. Willy, Exchange Bank; W. F. Lynes, Real Estate Bank; A. I. Williams, Merchants Bank; H. W. Johansen, Commercial Bank.

After the election several members of the chapter took occasion to compliment the chapter on having secured as officers for another year, men of such ability and experience as Mr. Taylor and Mr. Stanton had proven themselves to be.

Mr. Taylor has always taken the deepest interest in the chapter and it was through his efforts practically unassisted that the Savannah Chapter was organized. Mr. Taylor is also treasurer of the American Institute of Banking. Mr. Stanton has always ably seconded the efforts of Mr. Taylor and has presided with credit during the absence of the president.

Mr. Taylor was then called on and after expressing his appreciation of the compliment of his re-election, urged upon the members the necessity of taking a deep and lively interest in all of the affairs of the chapter as if the officers knew that they had the support of the whole chapter much work could be undertaken and the brightest success of the chapter assured. Mr. Taylor announced that he had taken up with the Savannah Clearing Association the matter of a donation towards the expenses of the chapter and they had responded most generously with a check for \$150.00 for which he had already sent a letter of sincere thanks to the association on behalf of the chapter.

Mr. Taylor's remarks were applauded, espe-

cially his reference to the donation and upon invitation of the president, the meeting being adjourned, the members assembled in the refreshment room of the chapter where a tempting and palatable lunch had been prepared.

GEORGE H. DIETER.

CHICAGO CHAPTER

Craig B. Hazelwood, assistant secretary of the Union Trust Company, gave a talk on "Preparation for Debate," before the Debating Club of the Chicago Chapter, Tuesday, March 21st. Mr. Hazelwood, who, by the way, is the father of the club, knows a good deal about effective debating and what he said was to the point and of value to all who aspire to succeed in this line. He told:

How and where to gather the necessary information.

The importance of knowing exactly what the question at issue is.

The necessity for a good outline.

The value of being able to clearly and forcibly state the nub of an argument.

The value of boiled-down statistics.

The dangers of quoting others.

The importance of a good rebuttal and the need for forecasting the arguments of the opposing side.

At the conclusion of Mr. Hazelwood's talk, the members participated in a round-table debate, various topics of general interest being discussed, notably the Mexican Revolution, the present political situation and socialism. The latter subject was drawn by Mr. Burbank, secretary of the club, who clearly demonstrated that he has some rather decided opinions on the question, all negative. His views were not concurred in by the majority of the members and immediately one of the most heated debates was in progress, Messrs. Drummond, Schroeder, Rich, Peterson and Burbank all having a great deal to say on the subject. The inclination was to give due credit to the sincerity of the party and the truth of its doctrines, and the feasibility of their purposes. Mr. Schroeder, however, was rather pessimistic and expressed the fear that sooner or later we would have to face the demands (just or otherwise) of the "illiterate mob"; that it was the duty of the "educated" to begin a system of education which will demonstrate the futility and impracticability of their ideas, rather than to allow them to learn by actual experience and perhaps the loss of blood. Mr. Rich held a more optimistic view, feeling that the intelligence of the masses would never permit them to carry out any radical ideas, which would prove a detriment to the welfare of the nation.

The question of challenging the St. Paul Chapter to a debate was brought up by Mr. Drummond, but the matter was laid over until some future time. It was thought best to allow this matter to rest until after the debate with the Milwaukee Chapter, which is destined to take place in the near future.

C. A. PETERSON.

EAST ST. LOUIS BANKER HERE

James E. Combes, an East St. Louis banker, was a visitor in Chicago the fore part of the week.

RICHMOND CHAPTER

Should you drop in at our Chapter rooms on any Wednesday night, you would find that Richmond Chapter has not forgotten the primary object of the institute, for there you would find a bunch of fellows engaged in the study of banking and finance. Those of us who have the interest of the chapter at heart agree with Max Adamsky's fable of the Three Sisters—education, politics, and sociability; that is, that education is the only one of the three sisters that is really it.

We are using the institute course of lectures on banking and finance and one of our number who has been previously appointed so that he may become perfectly familiar with it, and that he may supplement the printed lecture with other information he may have gotten, reads the lecture, and we all join in the discussion. And what a discussion we have at times! If you stood off at a distance where you could not hear what was really being said you might easily imagine, from the earnestness and animation of the participants, that some big legal battle was on.

Our rule is to make a different man read the lecture each time, because the man who conducts the class is the man who gets the most out of it. Everybody is talking banquet now, for be it known we are going to have something big ere the April number of the Journal is out.

Our February meeting which we failed to report in last month's Journal was chock full of good things. The men from the National Bank of Virginia had charge of the program, which reflected great credit upon them. Allen Crutchfield spoke on the "Savings Department," E. A. Leake on "Progressive Richmond," and James E. Tyler on "Success." After this intellectual feast we pitched into the refreshments which the committee had provided.

The March meeting was another banner one. O. J. Sands spoke on "Banking Problems," and H. W. Jackson on "Trust Companies." There was a good crowd on hand, the speakers were good, and not the least enjoyable feature of the evening was the fellowship after the meeting adjourned. If some of the bank officers who never attend our meetings would drop in occasionally, they would be surprised at the deep interest taken in banking by the employees. The men hang around the chapter rooms an hour after the meeting has adjourned, divided up into little groups, discussing different phases of banking, exchanging ideas as to the best way to run some particular desk, or perhaps finding out the law relating to some particular transaction about which there has been doubt.

The institute men certainly have the laugh on those who do not attend the meetings, for when it comes to getting there, the institute man is generally the fellow; the reason is easy, for he has prepared himself, and when the opportunity comes for promotion, it's a cinch that he is the man to go up, because he is the best qualified man.

JOHN S. HAW.

BANKERS VISIT NEW YORK

J. Fletcher Farrell and John J. Arnold are among the Chicago bankers who have visited New York the past week.

THERE'S SOMETHING
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ROUTE OF THE . . .

DIXIE FLYER

A daily solid through train between

CHICAGO and FLORIDA

via Nashville, Chattanooga and Atlanta. Through green clad mountains of Tennessee, across Chickamauga's famous battlefield and around the majestic base of Lookout Mountain.

Leave Chicago from the La Salle St. Station (the only depot on the loop) at 9:50 p. m., via

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Arrive Jacksonville second morning

Electric-lighted Drawing-room Sleepers and Compartment Observation Cars. Through Coaches. Best Dining Car service.

Reduced rate tourist tickets now on sale.

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NEW STATE BANK AT MORGAN PARK

A permit for the organization of the Morgan Park State Bank was issued this week at Springfield by State Auditor McCullough. The applicants were Jesse R. Long, William H. May, and John R. Miller.

Similar permits have been obtained in previous years in advance of a referendum on annexation to Chicago, such as is pending in the suburb now. These have lapsed following unfavorable action on the proposition.

They were believed to have been speculative schemes. The organization could be completed in Morgan Park with a capital of only \$25,000, as it is a village of less than 5,000 population, while in Chicago a state bank is required to have \$200,000 capital.

MR. BUTTERWORTH RETURNS

William Butterworth, president of Peoples Trust and Savings Bank, Moline, and director in Western Trust and Savings Bank, visited Chicago Wednesday. Mr. Butterworth is just

back from a pleasant vacation spent at Palm Beach, Florida, where he reports the golf courses in excellent condition.

SOUTH DAKOTA VISITORS

Geo. C. Fullinweider, cashier of National Bank of Huron and W. N. Farmer, secretary and treasurer of Globe Loan and Trust Company, both of Huron, South Dakota, and F. H. Putnam, formerly of Salem, South Dakota, visited Chicago Tuesday and dropped in on their old friend, A. F. LeClaire of Colonial Land Company, Central Trust Building. Mr. LeClaire formerly resided at Bowdle, South Dakota, and at one time held the position of bank examiner.

During the day the party paid their respects to Wm. R. Dawes, cashier of Central Trust.

UNIQUE OPPORTUNITY. I need \$8,000 to complete purchase of safe, successful Illinois enterprise. 8% returns sure first year; 12% to 16% by third year. Marketable assets more than double present invested capital (\$35,000). Best location in state. Must enlarge plant to meet demands. \$8,000 purchases one-third interest. Investments of \$1,000 and up only considered. R. H. FERRIS, Gen. Mgr., 169 Commonwealth Avenue, Detroit, Mich.

Investments

We own and offer the following bonds, subject to sale and change in price, and recommend the same to all conservative investors:

Amount	Security	Rate	Maturity	Price	Approximate Yield
\$500,000	Insurance Exchange Building	5%	1925	102½	4.75%
	First Mortgage, int. May and Nov. An absolute First Mortgage on the land owned in fee simple on Jackson Boulevard, extending from Fifth Avenue to Sherman Street, Chicago, and the new Insurance Exchange Building to be erected thereon. This will be the largest office structure in Chicago.				
50,000	Chicago City Railway	5%	1927	103	4.75%
	First Mortgage, int. Feb. and Aug.				
100,000	Commonwealth Edison Co.	5%	1943	101½	4.90%
	First Mortgage, int. Mar. and Sept.				
75,000	Peoples Gas Light & Coke Co.	5%	1947	102	4.90%
	Refunding Mortgage, int. Mar. and Sept.				
50,000	Armour & Company	4½%	1939	93½	4.95%
	Real Estate, First Mortgage, int. June and Dec.				
50,000	Morris & Company	4½%	1939	92	5.00%
	First Mortgage, int. Jan. and July.				
100,000	Cleveland Railway Company	5%	1931	100½	5.00%
	First Mortgage, int. Mar. and Sept.				
100,000	Calumet & South Chicago Ry. Co.	5%	1927	99	5.10%
	First Mortgage, int. Feb. and Aug.				
100,000	Metropolitan Street Railway Co.	5%	1913	99¾	5.13%
	(Kansas City, Mo.) Consolidated Mortgage, int. May and Nov.				
75,000	Fort Smith Light & Traction Co.	5%	1936	94½	5.40%
	(Fort Smith, Ark.) First Mortgage.				

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IRRIGATION MATTERS ADJUSTED

News comes from Denver that work has been resumed on all of the suspended Trowbridge and Niver Company properties, a loan having been floated in France for their completion. It is said that deferred coupons and maturing bonds will soon be cared for with no loss to investors. Confidence is expressed in the successful completion of the matter in general.

THAT L. MERGER

Chicago should henceforth refuse to notice L. merger rumors if they relate to the local roads. Just seventy-nine scare heads in as many of the issues of the Chicago dailies, later on have been denied in small type. The buyers are being worked up for a cold plunge.

WESTERN BANKER IN CHICAGO

H. Fleishhacker, vice-president and manager of Anglo and London Paris National Bank, San Francisco, was a visitor at Fort Dearborn National on Monday.



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

The Chicago Savings Bank and Trust Company has a large number of correspondents who, in addition to opening inactive accounts drawing 3% interest or availing themselves of its general banking facilities, also select, through its Bond Department, Railroad, Municipal and other high grade bonds for the investment of their funds.

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EDWARD P. BAILEY, Vice-President	HOUSTON JONES, Cashier	LEVERETT THOMPSON, Secretary
	H. T. SIBLEY, Manager Investment Department	

RESOURCES OVER FIVE MILLION DOLLARS.



NEW YORK-NASHVILLE SPECIAL TRAIN

Eastern members of the council, the A. B. A. staff and committeemen will have a special train, de luxe, over the New York Central via Albany and Cleveland to Cincinnati, thence over the L. & N. Train will leave New York 8:35 A. M., April 29th and reach Nashville at 10 A. M., Sunday, two hours after the C. & E. I. special, de luxe, from Chicago. The Chicago train will leave Chicago at 6:20 P. M., Saturday, April 29th, with dinner on board. The New York train will have a pianola on board, chargeable to L. E. Pierson, who is head of arrangements committee.

ENTERS LIFE INSURANCE WORK

Marie W. Gibbons who was employed with the Central Trust Company of Illinois for four years as stenographer for W. G. Edens, assistant secretary, has accepted a position with the Western Union Life Insurance Company at Spokane, Washington. This company, which was organized under the laws of the state of Washington, is about five years old and has ten million insurance in force, and a legal reserve of about four hundred thousand. The president, R. L. Rutter, is vice-president and general manager of the Spokane and Eastern Trust Company, and the trustees and board of managers includes some of the strong names in Washington, a number of them well known bankers.

IOWA BANKERS TO MEET

Group Four of the Iowa Bankers Association will hold its annual meeting at Elkader April 27th. Arthur Reynolds, treasurer of the American Bankers Association, and P. W. Hall, secretary of the Iowa Bankers Association, will be present and address the meeting. The remainder of the program is being arranged.

CONTRACT FOR BANK POWER PLANT

The First National, Houston, Texas, has just awarded, through its architects, Sanguinet, Staats and Barnes, the contract for a new power plant, to be located in its new building.

The contract was captured by the Barden Electric and Machinery Company after keen competition with Eastern concerns. The plant will be the largest of its kind in the city.

NEW LEGISLATION IN IOWA

Des Moines, Ia., March 28.—With only thirteen opposing votes the house to-day passed the bill to give the officers of state institutions authority to sterilize habitual criminals, drunkards, idiots, drug fiends, the hopelessly insane, and other classes of state wards whom the authorities regard it as in the interest of society to deprive of the hope of progeny.

POSTAL BANK FOR LASALLE

Washington, March 28.—Postmaster General Hitchcock to-day designated forty-five additional postoffices as postal savings depositories in as many states and territories, mostly at industrial centers where there are many wage earners. Mr. Hitchcock plans to confine the offices as nearly as possible to industrial centers really needing such banking facilities. He believes the service is well along in the experimental stage and should be extended rapidly. Among the offices designated to-day are: LaSalle, Ill., Gary, Ind., Centerville, Iowa., Ironwood, Mich., St. Cloud, Minn., Devil's Lake, N. D.

FIFTY PER CENT BANK DIVIDEND

Waynesburg, Ga., March 28.—At the regular annual meeting of the stockholders of the Citizens Bank, the directors reported the best year's business in its history, and paid out of the earnings a cash dividend of 50 per cent—the largest cash dividend ever paid by a Georgia bank.

This reliable institution is now the only bank in Burke county conducting an exclusively commercial banking business and of its solidity and popularity the remarkable showing speaks for itself.

ANNUAL MEETING OF GROUP FIVE

Group Five, Illinois Bankers Association, will hold its annual meeting at Pontiac June 7th. An attractive program is being arranged.

FORT DEARBORN OFFICERS

The leading officers of Fort Dearborn Trust and Savings Bank have been decided on as follows: Wm. A. Tilden, president; Nelson N. Lampert, vice-president; John E. Shea, cashier. It was the desire of Mr. Lampert and other officers of Fort Dearborn National that Mr. Tilden should occupy the presidency of both banks, and this view has prevailed. The removal of the bank will be accomplished to-day and Monday.

WAR INJURES NEW MEXICO

J. B. Herndon, president of State National Bank, Albuquerque, N. M., was in Chicago on business last week. He stated to a representative of THE CHICAGO BANKER that New Mexico is being injured by the war across the border. The conflict has made it almost impossible to carry on business in coal, lumber and other important commodities. Mr. Herndon was a visitor at National Bank of the Republic in Chicago and also took occasion to meet a number of leading merchants and manufacturers.

CONTROL OF ENGLEWOOD STATE

It is rumored that Lewis C. Wagner, president of the Englewood State Bank, has purchased the stock holdings of C. H. Vehemeyer, amounting to 600 shares. Mr. Vehemeyer has been the largest individual holder of the stock of the bank.

LOS ANGELES BANKER HERE

Stoddard Jess, vice-president of First National, Los Angeles, was a caller at Continental-Commercial the fore part of the week. Mr. Jess is one of the men who have made Los Angeles banks a power in the West and he talks as optimistically as if dull times had never been heard of in his locality.

KENTUCKY BANKER IN TOWN

J. H. Rieke, vice-president of First National of Paducah, Ky., was a visitor at Continental-Commercial Wednesday. He reports good times in Kentucky, largely through the successful marketing of a big tobacco crop.

TELLS OF GOOD SPRING TRADE

President A. L. Clarke of First National of Hastings, Neb., was a caller at First National, Chicago, Tuesday. He reported a fairly active spring trade in his section of Nebraska. There is a good local demand for money.

FRANK G. NELSON HOME

Vice-President Frank G. Nelson of Merchants Loan and Trust is back on duty after spending several weeks in the South.

SPECIFY ON YOUR NEW CAR "STAR" TIRE & TOOL CASE

(PATENTED)

The "Star" Case fits any car. It is made of pressed steel. It carries spare shoes, inner tubes, small tools and spare parts. Opened, closed and locked in one minute. Nothing need be detached for removal of tires. It is thief, dust, fool and water-proof. Light in weight.

Finish—Black Japan, or prime coat which can be painted by buyers to match car.

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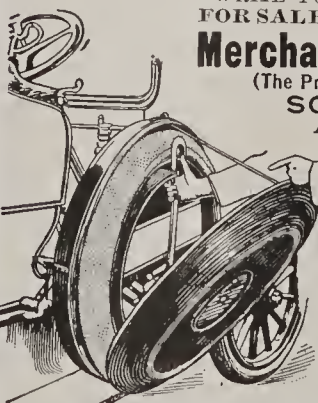
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ANNOUNCES

THAT IT HAS TAKEN OVER
THE BUSINESS OF THE

Railway Exchange Bank

March 28, 1911

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

With the eclat that attaches to city bankers Theodore Wold, president of the Scandinavian American National Bank, and J. S. Pomeroy, cashier of the Security National, went down to Winona the other night and sat in at a dinner to former Congressman James A. Tawney. Mr. Pomeroy reached Minneapolis from Winona by way of a strenuous course in banking experience in Chicago. Mr. Wold jumped direct into the maelstrom of Twin City finance and both felt they had acquired sufficient aplomb to return to their former homes.

Having come from a city which was rent with the jealousy of rivalry with La Crosse, a city represented in bank circles by Vice-President E. M. Wing of the Batavian National, to one in which similar rents were observable from competition with St. Paul, Mr. Pomeroy talked with the reporters. He said to them of the Winona-La Crosse feud: "The rivalry has died down now." Mr. Wold generously conceded a point. On the inside it is known that he is a great friend of Mr. Wing. He said: "The La Crosse men are good fellows, and when we former Winonians meet on common ground in Minneapolis we are all good Minneapolitans together. But there have been quite as many foolish things in the rivalry between La Crosse and Winona as there were in the Minneapolis-St. Paul rivalry of years ago. As for La Crosse, I remember a ball game that was played there on a recent Memorial day between Winona and La Crosse, when the lemonade and peanut venders would not sell their wares to the Winona men, and when the rivalry gets so strong that one town refuses to take another town's money, it is pretty strong. But the hundreds of Winona and La Crosse people mix amicably in Minneapolis."

Plans for New Bank

Plans for a new bank in Minneapolis are being made by A. E. Harper, president of the Minneapolis State Bank, and E. P. Allen, pres-

ident of the Mercantile Adjustment Company. The work thus far has been to find if capital is available. "We have found there is capital available for a bank centrally located and well officered," Mr. Harper said.

Western Progress

Returned from the vicinity of his apple orchard F. E. Holton, cashier of the Northwestern National, says that Portland, Ore., is one of the liveliest cities possible, building is on the increase and bank clearings show decided gains each week. He continues: "It is surprising the way the country has been settled up along the Northern Pacific in three years. I found business in Seattle rather quiet."

Address by Parker

Harry W. Parker, cashier of the Merchants National, addressed the Seventh District Group convention of the Minnesota State Bankers Association at Benson Wednesday on "Bank Credits and Proposed Legislation Providing for the Registration of Commercial Paper." As president of the St. Paul Association of Credit Men, Mr. Parker is familiar with the activities of the national association. He is also authority on bank credits.

Northwestern Miscellany

The Security Bank of Plentywood, Mont., will incorporate as a state bank with \$20,000 capital. Officers are to be: President D. N. Tallman; vice-president, Andrew Fadness; cashier, N. L. Nelson.

Matthew S. Nolan of Lamont, Iowa, has been elected cashier of the Peoples State of Mason City, Iowa. L. Oliver Stone, five years cashier of the Iowa State at Mason City, will open a bank at Bacon, Mont.

"John Jones" arrested for speeding his automobile thirty-three miles an hour in Minneapolis and fined \$35 in the municipal court, is said to have been Kelsey Chase, state superintendent of banks. Mr. Chase recently applied

for more assistance in his bank investigations and it is presumed that he was catching up with his work when he was taken in by a policeman who has had no fiscal experience and did not understand.

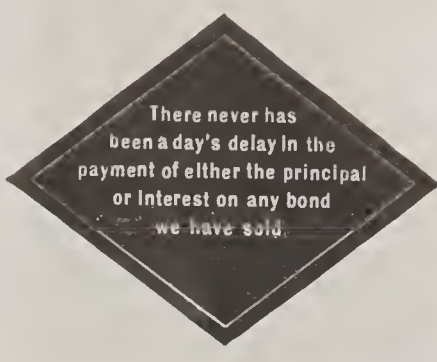
Denying that the commission form of government for cities should be adopted in the United States, the St. Paul bank clerks were recently upheld by the judges and the Minneapolis affirmative was not recognized as entitled to consideration. The debaters for St. Paul were Rodney Sturle, Capital National Bank; Lawrence Drew, American National Bank, and O. J. Shumacher, Stock-yards National Bank. The Minneapolis men were A. C. Thompson and J. E. McGuigan, Northwestern National Bank, and F. Mulchay, Minnesota Loan and Trust Company.

Nine banks in Rice county, Minn., show total loans and discounts of \$3,000,000 and deposits of more than \$3,500,000. Resources are \$4,327,929. Faribault is the county seat.

G. H. Prince, vice-president of the Merchants National, sailed March 21st for home from Yokahama. With his wife and daughter he has been touring the Pacific islands and in the Orient since the holidays. The Korea, aboard which are the Princes, docks April 16th at San Francisco, if the time card is observed.

Incorporators of the First State of Barnesville, Minn., which is to be open May 1st, are President J. S. Ulland and Cashier F. J. Evans of the First National of Fergus Falls; President G. R. Wedgewood and Vice-President C. E. White of the Citizens State of Monticello, Minn., and Cashier W. S. Lee of the Merchants State of Elizabeth, Minn. Mr. Lee is to be cashier.

The First National and the Rock Lake Farmers banks of Rock Lake, N. D. have become the First National. Officers of the latter remain as the bank is purchaser of the stock in the combined institution.

	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS First National Bank Bldg., Phone Central 6400 PITTSBURGH CHICAGO PHILADELPHIA	
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Pittsburgh

In a lecture before Pittsburgh chapter American Institute of Banking on "Savings Banks and Trust Companies" Dr. W. H. Temple said that "in the last twenty years the old style savings banks have gradually been superseded by the trust company, which having originally been intended as custodian of trust funds has extended its functions to all branches of the banking field. Under the present Pennsylvania laws the outlook of the true savings bank is not very bright."

Ever since William E. Corey quit the presidency of the United States Steel Corporation rumors have circulated in inner circles of his design to undertake the aggregation of certain plants and interests capable of entering far into the domain of the billion-dollar company. His long experience in the steel business and his loyal friendships among notable colleagues in that pursuit argue his prompt re-entrance and, speculation apart, it can be definitely stated that the opposition is upon the verge of consummating its scheme.

There are 160 chartered institutions conducting a regular banking business in Allegheny county, a decrease of 3 as compared with one year ago. These institutions have a combined capital of \$62,122,650, a decrease of 3.03 per cent. Their surplus amounts to \$91,846,908, an increase of 2.42 per cent, and their undivided profits amount to \$15,839,347, a decrease of 4.50 per cent as compared with a year ago. Dividends paid for the year amounted to \$6,599,895, a decrease of 4.25 per cent. The total resources of the 160 institutions doing business foot up \$605,756,165, an increase of 1.62 per cent, and the largest total ever reported.

The banks and trust companies located outside of Pittsburgh and Allegheny City seem to have had a more prosperous year than the city institutions. The number of these "country" institutions is 75, being an increase of one over the previous year, and they paid \$549,512 in dividends upon \$6,712,000 capital stock, being an increase of 3.09 per cent over the previous year. Their resources foot up \$52,565,630, being an increase of 6.67 per cent.

As the outcome of a 63-year lease on the old Second Presbyterian Church lot at Penn avenue and Seventh streets, negotiated through the Real Estate Trust Company, represented by S. E. Kingsley, Pittsburgh is soon to have one of the finest and most up-to-date hotels in the country. It will be owned and operated by the Pennsylvania Hotel Company, composed of wealthy New York hotel men, and will represent an investment of approximately \$2,500,000, which includes ground rent, equipment, etc.

During 1910 Pennsylvania produced 148,696,776 tons of bituminous coal, the second largest production of any year in the history of

the Keystone state industry and in the same period the production of anthracite was 83,269,294 tons, a gain of 3,000,000 tons over 1909, but a loss of 2,787,000 tons, as compared with the high year of 1907.

The Real Estate Trust Company of Pittsburgh has declared the usual quarterly dividend of 2½ per cent, payable April 1st to stock of record March 31st. The dividend amounts to \$50,000, and makes a total of \$1,790,000 distributed to stockholders since organization.

Completed negotiations have resulted in the amalgamation of the Monongahela Insurance Company of Pittsburgh, with the American Union Fire Insurance Company of Philadelphia.

The Workingman's Savings Bank and Trust Company has declared a quarterly dividend of 4 per cent, payable on and after March 31st.

SUES BANKERS FOR \$250,000

Greenfield, Mass., March 30.—Claiming that the respondents, all of whom were members of the finance committee of the Greenfield Savings Bank at the time of its suspension in February, 1900, were guilty of neglect to perform their duties properly, Arthur B. Chapin, savings bank commissioner of Massachusetts, filed a bill of complaint in the supreme court to-day and caused an attachment to be made of \$350,000 against Robert Abercrombie, Levi J. Gunn, Charles R. Lowell, William A. Forbes and S. B. Slate.

When the bank was enjoined from doing business it had property values at about \$4,000,000. Since that time \$288,000 has been charged off as losses on poor loans. It is alleged that these losses will total \$500,000. The bill of complaint declares that Messrs. Abercrombie and Gunn received from George N. Rich of North Adams inducements and gifts for an improper loan.

BROWN DENIES RESIGNATION

President Brown has repudiated the Chicago resignation interview. He says: "Some day perhaps I will resign, but that day is not in sight. Continued reports of my forthcoming resignation are very embarrassing to me. Please say once and for all I have no intention of resigning the presidency of the New York Central."

ARMOUR'S STOCK HOLDINGS

Cook county tax investigators discover that J. Ogden Armour holds 50,000 shares of National Packing stock and only 5,000 shares of Armour and Company stock.

THE HANCHETT BOND CO., Inc.	
L. A. TROWBRIDGE, President	WM. F. HANCHETT, Vice-President
CITY SCHOOL COUNTY DRAINAGE	BONDS
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Philadelphia

A special meeting of the stockholders of the Independence Trust Company has been called for May 22d for the purpose of submitting to the stockholders the question of the reduction of the capital stock of the company from \$2,000,000 to \$1,000,000.

The project to establish a national bank at 52d and Market streets has been abandoned for want of local support.

The Girard Trust Company closes a period of seventy-five years of corporate existence. The company has never failed to make and declare a dividend in each year of the seventy-five, and a total sum of over nine millions of dollars has been distributed to its shareholders.

A peculiar condition exists in the money market in Philadelphia in that some banks are loaned up, others report abnormally high reserves, while all admit the increasing slackness in general trade. That the financial district should hear talk of a reduction of money rates under such mixed conditions is only logical.

Pennsylvania Bankers Association will hold its annual meeting in Philadelphia June 13th and 14th. D. S. Kloss, the secretary, lives at Tyrone.

George Burnham, Jr., George B. Harris, Walter F. Ballinger and Albert E. Turner have returned from a trip to Panama and the West Indies.

Graham and Company, Philadelphia bankers, who were awarded \$110,000 Lebanon, Pa., bonds on March 6th, have refused to accept them, owing to technical irregularities in the issuing of the securities.

RAIDED BY POSTAL OFFICIALS

New York, March 30.—In a raid on the stock brokerage offices in Fifth Avenue occupied by Wisner and Co., and the Standard Securities Company, post-office inspectors charged that irregularities amounting to more than \$2,000,000 had been brought to light. Transactions in excess of \$10,000,000 throughout the country, are credited to the two concerns in the last few years.

Archie and Emmett S. Wisner, constituting the ownership of both concerns, and Grover S. Trumbull, chief clerk, were arrested. A United States commissioner held Archie Wisner in \$7,000 bail for the federal grand jury, Emmett S. Wisner in \$5,000 and Trumbull in \$1,500. They were committed to the Tombs. The charge is using the mails to defraud by selling worthless stocks.

The specific charge is that the Wisners, through mail correspondence, represented to stock purchasers that the California Diamond Oil Company was actively at work when, as a matter of fact, according to the charge, the company was dormant and had lost title in 1900 to the property it was claimed to be operating.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, March 29.—Generously optimistic over the business outlook in the East, as well as throughout the Northwest and other parts of the country is George K. March, banker and investor, formerly of Pierre, S. D., who will make his home on Moran Prairie, where he plans to establish a suburban home as soon as he closes his affairs in Canada.

Mr. March, who is one of the four brothers that founded the National Bank of Commerce here, said in an interview there is every indication the country will go ahead now that the uncertainty has been removed by the ruling of the Interstate Commerce Commission. The big corporations also are adjusting themselves to conditions.

"When other great questions, that have caused more or less uncertainty in the past as to the outcome, are settled," he continued, "the country will at once get upon a solid business foundation. The crop outlook is good this year, and on the whole there is no cause for complaint, notwithstanding the strange kind of pessimism that has prevailed in the Atlantic coast states. It was all a big bluff, and is not going to work any more."

Bankers' League

W. D. Vincent, cashier of the Old National Bank; Thomas H. Brewer, president of the Fidelity National Bank, and B. L. Jenkins, auditor of the Union Securities Company of Spokane, are working out a plan for the organization of a bankers' league in eastern Washington. This would take in more than 100 banks in Spokane, Adams, Whitman, Ferry, Stevens, Pend Oreille and Asotin counties. The sectional associations are needed to get the best results from the state and national associations, Mr. Brewer said adding: "It is difficult for any one section to secure proper representation at a national or state bankers meeting where the sections are not organized and do not work harmoniously."

Cost of Legislation

Bills passed by the legislature of Washington at its session just closed carry appropriations amounting to \$9,277,792.39, with the school fund of \$2,200,000 and the military fund of \$175,000, the running expenses of the state the next two years will be nearly \$12,000,000. The chief items are: General budget, \$6,598,017; miscellaneous budget, \$346,643; improvement of highways, \$1,230,000; Lake Washington canal, \$186,320; employers' liability act, \$150,000; public utilities commission, \$118,000; grain inspection commission, \$108,000; quarry rotary fund, \$100,000; state roads, \$94,929.

Distribution of Deposits

Robert Fairley, commissioner of finance, and representatives of the banks of Spokane will meet in April to devise a plan for distributing city moneys for deposit in the various institutions. Edwin T. Coman, president of the Old National Bank, favors a plan whereby each bank should be given a minimum deposit of \$10,000, the rest be graded according to the

capital and surplus and deposits. This plan takes into account the amount of taxes paid by each bank.

Banks Show Increase

Five banks at Walla Walla, Wash., showed an increase in deposits at the last call of the comptroller of currency, the figures on March 7th being \$3,568,753.27 as against \$3,564,755.39 on January 7th, a gain of \$3,997.88. Cash on hand amounted to \$1,491,429.11, a gain of \$138,548.37, and loans and discounts were \$3,333,581.97, a decrease of \$233,344.18. The banks are: Baker-Boyer, Third National, Farmers Savings and First National. The first and last named report more than \$2,370,000 in deposits.

Miscellaneous News

Banks in Lincoln county, Wash., report total deposits of \$2,350,340, an increase of \$23,478 over a year ago, as follows: Davenport, \$746,756; Wilbur, \$446,802; Sprague, \$275,081; Reardan, \$232,669; Odessa, estimated, \$190,327; Harrington, \$174,472; Almira, \$137,830; Creston, \$66,401; Edwall, \$57,499; Govan, estimated, \$12,192; Downs, estimated, \$10,037.

Mrs. Herman Rogall has instituted an action

in the district court of Shoshone county, Idaho, against the Wallace National Bank to recover diamonds valued at \$1,100, which her husband gave as part security on a note and failed to redeem the paper. She declares the jewels are her property. In addition to the diamonds of the woman asks for \$500 court costs.

Miss Mabel Kinnear, a native daughter of the Northwest, and Roscoe C. Williams, receiving teller of the Exchange National Bank of Spokane, were married at Holy Trinity church on March 17th. Rev. Father O. A. Worthing performed the ceremony. Mr. Williams came to Spokane from New York four years ago.

First National Bank of Conconully, Wash., of which L. L. Work is president, has received \$50,000 to be paid to the Colville Indians for the sale of the lands on the north half of the reservation. The First National Bank of Brewster, Wash., also received \$25,000 of \$1,000,000, which has been deposited in Inland Empire banks.

Captain Percival Smith of Wenatchee, Wash., announced on returning from France and England a few days ago, that he has interested European capital to the extent of \$1,000,000 for the investment in the Columbia river valley, adding that the investors will come to eastern Washington this spring to look over the country.

J. A. Harsh of Deary, Idaho, where he is connected with the Latah State Bank, also the First State Bank at Boveille, while in Spokane reported there is much activity in the Potlatch district.

Frank E. Vanderlip, president of the National City Bank of New York and a member of the executive committee of the Union Pacific railroad, is expected in Spokane early in April.

Miss Edith Sorsenson, formerly assistant cashier of the Linwell State Bank at Ray, N. D., has accepted a similar position in the Farmers and Merchants Bank of Malden, Wash.

SUSPENSION OF BANKS

Oneonta, N. Y., March 30.—The First National Bank of this city suspended business today.

The bank has about \$800,000 resources and the deposits are about \$500,000, with an equal amount of loans and discounts.

Unless there should be a marked shrinkage in the loans and discounts collectable, it is expected the bank will pay depositors in full.

Mobile, Ala., March 30.—Inability to rely on rediscounts was given as the cause for suspension to-day of the Leinkauf Banking Company, one of the oldest banking institutions of Mobile. Harvey Pake was named as assignee.

President W. H. Leinkauf, of the bank, said that stagnation in the lumber and timber trade, which heretofore had been a large part of their business, made it impossible to realize on some of their bills.



The Old National Bank OF SPOKANE

This bank is thoroughly organized and equipped for the proper handling of all items drawn on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier



**Capital, Surplus and
Undivided Profits
\$9,000,000**

**Accounts of Corporations, Firms and
Individuals Solicited**

OFFICERS

ORSON SMITH, President	P. C. PETERSON, Assistant Cashier
EDMUND D. HULBERT, Vice-President	C. E. ESTES, Assistant Cashier
FRANK G. NELSON, Vice-President	LEON L. LOEHR, Sec'y and Trust Officer
JOHN E. BLUNT, Jr., Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dept.
J. G. ORCHARD, Cashier	H. G. P. DEANS, Mgr. Foreign Dept.

DIRECTORS

ENOS M. BARTON, Chairman, Board of Directors, Western Electric Company	THIES J. LEFENS, Capitalist
CLARENCE A. BURLEY, Attorney and Capitalist	CYRUS H. McCORMICK, President, International Harvester Company
E. H. GARY, Chairman, Board of Directors of the United States Steel Corporation	JOHN S. RUNNELS, Vice-President, Pullman Company
WILLIAM A. GARDNER, President, Chicago and Northwestern Railway Company	EDWARD L. RYERSON, Chairman, Board of Directors, Joseph T. Ryerson and Son
EDMUND D. HULBERT, Vice-President	ORSON SMITH, President
CHAUNCEY KEEP, Trustee, Marshall Field Estate	MOSES WENTWORTH, Capitalist

ALL BRANCHES OF BANKING



**To Omaha
Lincoln**

**and Intermediate Points Every Day
in the Year From**

La Salle Station 6:00 P. M.

(On the Loop)

Englewood Union Station 6:15 P. M.

(Convenient to South Side Residence District)

Drawing-room and observation
sleepers, free reclining chair cars and
coaches, dining car service.

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Iowa Limited for Des Moines at 10:00 p. m., and
other fast trains at convenient hours.

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Los Angeles

Nearly 160 banks in Los Angeles City and county have an account with the county by reason of the fact that the county has funds to the amount of \$3,013,870 on deposit, drawing interest. To secure the county in these deposits the banks must place with the county treasurer approved securities valued at 10 per cent in excess of the money borrowed.

Most of the securities are in the form of municipal or school bonds. The money is drawing 2 per cent interest, a yearly income for the county of over \$60,000. The heaviest deposits are made by the county with the Los Angeles city banks.

Los Angeles national bank deposits continue to increase, a gain of \$5,189,371 being shown from the comptroller's call on January 7, 1911, to the second call of the year on March 7, 1911. The total deposits are shown in the statement to be \$54,709,063. Loans and discounts are \$36,053,817, a decrease of \$707,655, compared with the amount shown in the last previous statement. Available cash gained \$5,554,057, the total on March 7th being \$24,435,684.

The Pacific States Finance and Holding Company has just been chartered for the purpose of locating in Los Angeles an insurance company to do a general fidelity, surety and bank deposit insurance business. The officers and directors are well known business men of the Pacific coast. N. Blackstock, president, was formerly railroad commissioner, and for many years on the bank commission of California, is a prominent banker and eminent lawyer. Niles Pease, vice-president and treasurer, is a capitalist of Los Angeles; H. Perk, secretary, formerly of St. Louis. The directors are

Carl F. Schader, of Santa Monica; A. Levy, of Oxnard; Frank X. Pfaffinger, Los Angeles; Baird Pallette, St. Louis; F. S. Taggart, St. Louis; F. M. Bruster, Los Angeles; Charles F. Blackstock, Oxnard. The organization is not yet complete.

The Crown City National Bank and the Pasadena National Bank are to consolidate in the near future. No reason for the consolidation has as yet been made known, and both institutions are in a healthy condition. If the proposition goes through the consolidated institution will be a strong one.

Much local comment has been caused by a current report that Wilson B. Evans, the absconding teller of the Farmers and Merchants National of Los Angeles, would not be prosecuted, and that instead of languishing in a miserable jail at Acapulco, where he was captured in so spectacular a manner, with about half of the stolen \$20,000 on his person, he is walking the streets of the Mexican seaport town, practically a free man. Officers of the bank deny that there has been a settlement and the federal authorities explain that the long delay in bringing back the fugitive is caused solely by Mexican red tape.

Wallace Wright, a retired banker of Cleveland, Ohio, but still interested in a number of financial institutions there, died here March 19th.

The comptroller of the currency has approved the application for permission to convert the Bank of San Dimas into the First National Bank of San Dimas, capital \$25,000. He has also approved the application to organize the First National Bank of Orland, capital \$50,000.

San Francisco

The California legislature adjourned after enacting into laws practically all the reforms on which Governor Johnson made his campaign as a "progressive." Among the more important laws placed on the statute books were the following:

Enlarging the powers of the railroad commission; authorizing the physical valuation of railroads; prohibiting the employment of women for more than eight hours a day; the Oregon primary law; the Australian ballot abolishing party emblems; an anti-betting law.

The following constitutional amendments will be submitted at a special election in October: For the initiative and referendum; for the recall of elective officers, including the judiciary; for woman's suffrage; eliminating technical errors as a ground for reversal in criminal cases.

A net shrinkage of five and a half millions in deposits is shown by the ten national banks of San Francisco in their reports to the comptroller, in response to the call of March 7th. The total deposits of the ten banks are \$128,254,567, as compared with \$133,654,942 on January 7th, the day of the last previous call. Only one bank, the First National, shows a gain.

The decrease is mainly in the item of individual deposits, and is accounted for, in part at least, by heavy withdrawals just before the first Monday in March, for conversion into bonds and other forms of non-taxable wealth. This is a common practice about the time assessment day approaches.

Brainard and Schmick, Ohio bankers, have been released from prison.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

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J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00

Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

**Largest Bank in Clinton
County**

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877. As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agent for National Banks

ROCK ISLAND'S NEW LINE

Construction of the 68 miles of track from Allerton to Carlisle, Iowa, necessary to complete Rock Island's short line from St. Paul to Kansas City, will be started as soon as the weather will permit, and it is hoped to have the road ready for operation by the spring or summer of 1912.

A new bank has been organized at Hammond, with a capital stock of \$100,000. The organizers are J. C. Lavene, W. F. Bridge, J. E. Brennan, W. J. McAlear and E. Minas. The bank will be known as the American National Bank.

Des Moines, March 30.—After a debate that consumed two days and proved one of the most intense of the present session of the Iowa legislature, the senate passed the bill submitted by the ways and means committee of the body relative to the taxation of banks. The bill provides that there shall be a five mill flat tax on moneys and credits. It also provides that bank stock shall be assessed upon 20 per cent of the valuation at the regular rate in the county in which the bank is located. It does not permit the offsetting by deducting indebtedness. The vote on the bill when it was finally up for passage was 40 to 5. Senator Cowles of Burlington sought to amend the bill by providing that bank stock be taxed a flat rate of 12½ mills instead of upon the 20 per cent basis at the regular rate. It was this amendment which stirred up much of the oratory.

Senator Webber of Wapello county backed up the amendment while Senators Adams of Fayette and Hammill of Britt opposed it. They declared that bankers have no more right to expect a special method of taxation than does the farmer or any other business men. Incidentally they declared that bank stock is good paying investment. They declared that the proposed amendment would do away with the local end of a bank assessment entirely. The amendment was finally defeated 16 to 29. The original question was then put up and another debate of a couple of hours resulted. Bankers declared that the proposition to force banks to pay upon 20 per cent valuation without being permitted to deduct their debts is unreasonable. However their influence counted for little when the show-down came. There were several bankers in the senate chamber when the vote was taken. The bill was scheduled to come up in the house this week bankers are well pleased with the five mill rate on moneys and credits and regret that the other provisions were tacked onto what was originally intended to be a meritorious measure.

May be Unconstitutional

There is some doubt as to whether the bill in constitutional. It is probable, if it becomes a law, that a court decision will be demanded. Senator Webber in voting against the measure declared that the bill could not hold water because it provides for taxing bank stock at 80 cents on the dollar whereas other personal property is taxed at the rate of 100 cents on the dollar and that the constitution would not permit the taxing of bank stock on a different basis from other property. Those who voted no on the bill were Senators Dunnegan, Garrett, Malmberg, Taylor and Webber. Those absent were Cowles and Savage. All of the remainder of the senate voted for the bill.

Trust Company Legislation

It is expected that much good will result from the meeting of the trust company officials of Iowa who met in Des Moines last week and decided to organize a state association apart from the Iowa Bankers Association. It is expected that the meeting will stir up the legislators to take some sort of action defining the powers and duties of a trust company. Although the Iowa legislature is almost ready to adjourn, the trust company men believe they have set in motion something that will bring results next session if the legislature should adjourn without taking action this time. Among other things, the financiers want laws which

will make it impossible for financial pirates to operate under the name of "trust companies." At the banquet which was held at the Savery Hotel during the session, these interesting toasts were given; "Trust Companies," by William T. Abbott, vice-president of the Central Trust of Chicago; "Importance and Value of Trust Companies in Iowa," by President E. E. Hart, First National of Council Bluffs; "The Trust Company's Business as It Is Now and as It Should Be," by Roger Leavitt, vice-president of the Cedar Falls Trust Company. Short talks were made by Attorney D. J. Lenehan of Dubuque, B. J. Howrey of Waterloo, James H. Whitney of Atlantic. State Auditor Bleakly who was a guest of honor declared himself as enthusiastically in favor of the legislation sought by the trust company representatives.

Postal Savings Light

The postal savings bank at Decorah has proved anything but a success according to the report of Postmaster-General Hitchcock, made public at Washington last week. The report shows that the institution at Decorah is in 40th place in deposits out of the 48 established. The total deposits were but \$454 and the average balance per depositor was \$28.33. This certainly is not calculated to lead Uncle Sam into the belief that the people of Iowa are very keen for a change in their methods of depositing their earnings.

Bank Loses Suit

The Central State of Des Moines lost out in its suit with B. H. Gavitt, relative to a certificate of deposit held by Gavitt as security on a note given by E. J. Penfield, the missing president of the Bank of Kelley. The court held that Gavitt was an innocent purchaser and that the bank issued the certificate in good faith. Therefore, the institution must make good, says the court. The bank showed that it supposed that a draft on New York, deposited with it for \$1,000 by Penfield was perfectly good. Later it developed that it was worth nothing but in the meantime Gavitt had received the certificate of deposit.

Like Iowa Investments

Charles H. Martin of the People's Savings who has returned from the East declares that Eastern financiers are now contemplating Iowa as a rich field for investment. He states that New York banks are accumulating immense reserves and believes that the Middle West is going to reap the benefit when some of the money is invested. So far as general conditions go, Mr. Martin declares that there is a revival of business ahead which augurs constantly increasing prosperity for the American people.

Reynolds Goes East

Arthur Reynolds, president of the Des Moines National has gone to Washington to attend a meeting of the currency commission and incidentally the monetary commission of congress. Mr. Reynolds will probably remain in the East for several days and will stop in Chicago for a visit with relatives en route to his home.

Promptness in Reports

The committee on banks in the senate has drawn up a bill providing the financial institutions who do not get their reports to the auditor of state on the day set will be fined \$10

WALES

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and Listing
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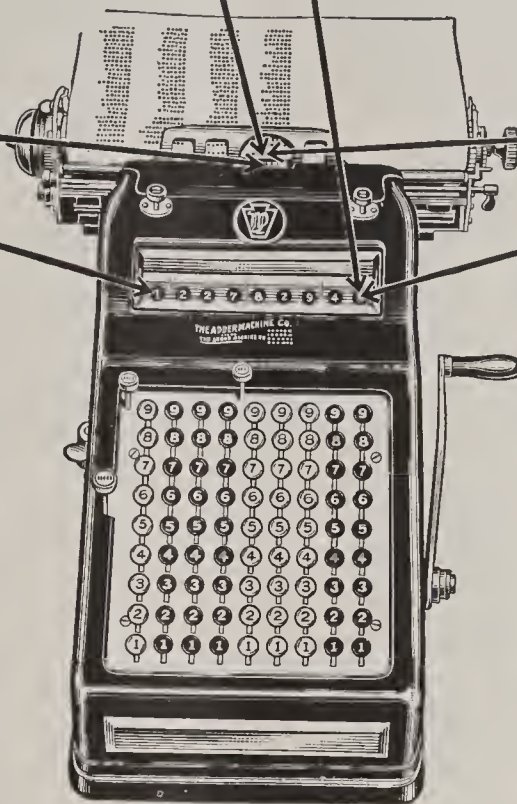
¶ Users of the WALES say this complete visibility increases operator's speed and accuracy at least 25%. Combine this feature with light key touch and quick and easy operation of handle and you have the reason for WALES speediness.

5-Year Guarantee Against Repairs

¶ The WALES is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee, when the WALES gives you five times more protection?

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

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Wilkes-Barre, Pa.



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¶ We will let you use a WALES for 30 days. If it doesn't convince you in that time we will remove it immediately. All this at our expense.

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for each day overdue. The penalty is to be paid to the state auditor and is to be used in the payment of examiners' fees and expenses. The auditor is given the power to maintain an action in the name of the state for the recovery of the amount due. A similar bill has been introduced in the senate providing that the auditor may print the biennial report on blanks separately from his other reports.

General Iowa News

H. A. Smith has resigned as assistant cashier of the Adair County Bank at Greenfield and has gone to Blunt, S. D., to engage in the land business.

After twenty-two years as a banker at Winterset, R. H. Cooper has resigned as cashier of the Winterset Savings. Robert Houston, formerly assistant cashier, has been advanced to cashier. Mr. Cooper's retirement is due to failing health.

The Farmers Savings is a new institution which has filed articles at Boone for a new bank at Boxholm. The bank has a capital stock of \$20,000. The officers are J. H. Roberts, Boone, president; O. L. Lidvall of Dayton, vice-president; Axel Westeen of Boxholm, cashier.

The Farmers State has been organized at Volga City. The capital stock is \$25,000. The president is E. W. White; vice-president, George Krubs; cashier, E. W. White. The bank will have a new brick building. This is the second new bank at Volga City this year.

James Watt, president of the German Savings, Des Moines, has been elected president of the Greater Des Moines Driving Club. Mr. Watt is an enthusiastic horseman.

The new eight story First National building at Waterloo caught fire for the second time

within eight weeks last week. The flames started in an engine shed used by the contractor but when discovered had only burned a couple of window sashes and had done no serious damage.

W. V. Sylvester has been chosen president of the Citizens Savings at Ames succeeding A. J. Graves, deceased.

Albert Bierkamp has been chosen cashier of the Durant Savings at Durant. He will assume his duties next fall.

G. D. Ellyson, president of the Commercial Savings, Des Moines, has gone to southern Missouri in hopes of recuperating. Mr. Ellyson has been seriously ill for many weeks and for a time there was doubt whether he would live.

W. C. Organ, wanted at Boone for forgery was arrested last week in Logansport, Ind., and returned to Boone for trial. Organ is said to be wanted also at Fremont, Neb. where it is reported that he skipped a \$4,000 bond.

Among the scores of out of the city bankers who were in Des Moines last week attending the trust company convention and watching the legislative vote on the moneys and credits bills were Cashier N. H. Tyson, Lehigh Savings; President G. G. Wright, Citizens State, Eagle Grove; President Louis Shamburg, First National, Everly; Cashier G. J. Schaller, Citizens, Storm Lake; President E. P. Barringer, Farmers Savings, Ruthven; Vice-President H. N. Smith, First National, Spencer; Cashier J. B. Stair, Farmers National, Red Oak; Assistant Cashier Carl Monroe, Exchange National, Leon; Cashier J. R. Mackey, First National, Spencer; Cashier W. M. Livingston, State Savings, Monroe; President C. H. McNider, First National, Mason City; Vice-President A. H. Gale, City National, Mason City; Vice-Presi-

dent W. D. McEwen, Rolfe Bank; Cashier R. K. Davis, Oskaloosa Savings; Cashier W. E. Rathbone, First National, Eldora; President W. P. Manley, Security National, Sioux City; President C. A. Smith, Farmers State, Dyersville; President M. M. Reynolds, Guthrie County National; President George L. Schoonover, Anamosa National; Cashier O. L. Wright, Marion County National, Knoxville; President Parley Sheldon, Story County Bank, Ames; Cashier R. C. McKinney, Bank of Cleg-horn.

FACTION SENATORS GET TOGETHER

Washington, March 30.—The regular and insurgent republican senators will act together and organize the new senate, with Senator Gallinger of New Hampshire as chairman of the caucus, succeeding former Senator Hale. This has been agreed upon.

The insurgent senators will be taken into the fold and receive recognition on all senate committees. With assurance of liberal recognition, the insurgents are disposed to go into the caucus and abide by the will of the majority, which is made up largely of regulars.

THEY LIKE STATE FUNDS

Some comment has been made recently on the fact that Cincinnati banks, in some instances, offered a higher rate of interest at the recent bidding for state funds to be carried as deposits than they did for city funds. The explanation is a very simple one: State funds, even where offered only as "active deposits," are likely not to be disturbed for a long time, while city deposits are nothing but "checking" accounts, that are not much better than call loans.

Private Bank Supervision

new bill up for passage in the Pennsylvania Legislature at Harrisburg. Text of the new Montana law and summary of the Protection for depositors.

Harrisburg, Pa., March 28.—Pennsylvania has suffered greatly from the incompetency and dishonesty of private bankers and has taken her cue from new Alabama and Montana banking laws putting private banks under state control. In order that private bankers and unincorporated banking companies may be given proper supervision, the purpose being to safeguard the interests of depositors, particularly those of foreign birth who place their funds in private institutions, Representative George E. Alter today introduced a bill providing that such banks shall take out a license and conduct their business under the jurisdiction of the state banking department.

Mr. Alter had the bill drawn chiefly at the request of Baron Forster, Austro-Hungarian Consul of Pittsburgh, who came here for this purpose some time ago. The Baron drew attention to the fact that within the past few years certain private bankers in Pittsburgh, as well as in other parts of the state, who make a business of accepting deposits from foreigners and who conduct a general banking business, have either gone into bankruptcy or absconded with funds entrusted to their keeping. As the question of their financial integrity is entirely a question of their personal honesty, they not being under the jurisdiction of the state or federal banking laws, it is regarded as necessary that they be so placed in order that their depositors be given adequate protection.

Mr. Alter today pointed out that many private banks, especially those of a domestic character, are so conducted that additional safeguards are unnecessary. However, in order to reach that class which has offended against the law it is necessary to include within the provisions of the bill all institutions of this character.

Affects All Banks

The constitution will not permit a law which will apply exclusively to private bankers of foreign birth, or others whose business is confined to citizens of such nationality, therefore his bill is general in its character, and, if passed, will make it necessary for all private banking institutions to secure a license from the state commissioner of banking and be subject to such supervision as is set forth in the measure introduced to-day.

Mr. Alter's bill provides that before receiving a license the applicant shall file with the commissioner of banking a statement given under oath showing the amount of assets and liabilities, "designating the place where the applicant proposes to engage in business, the names and addresses of all partners or members of the unincorporated association; that the applicant is a citizen, or, if the applicant shall constitute a partnership or unincorporated association, that a majority of the members thereof having a controlling interest in the business are citizens of the commonwealth of Pennsylvania. Such applicants shall at the same time deposit with the commissioner of banking \$10,000 in money or securities, which shall consist of bonds of the United States, of this state or any municipality thereof, approved by the commissioner of banking, and if a deposit of security shall be so made in lieu of \$10,000 in money, the commissioner of banking shall thereafter require the applicant to maintain such deposit at all times at a value which shall equal the sum of \$10,000.

Must Give Surety Bond

In addition thereto there shall be presented to the commissioner of banking a bond to the

commonwealth of Pennsylvania, executed by the applicant and by a surety company approved by the commissioner of banking, conditioned upon the faithful holding of all moneys that may be deposited with the applicant, in accordance with the terms of the deposit and the repayment of such moneys so deposited and upon the faithful transmission of any money which shall be delivered to such applicant for transmission to another, and in the event of the insolvency or bankruptcy of the applicant, upon the payment of the full amount recoverable under the conditions of such bonds of the assignee, receiver, or trustee of the applicant, as the case may require, for the benefit of the persons making such deposit and of such persons as shall deliver money to the applicant for transmission to another.

It is provided that the penalty of the bond shall be fixed by the commissioner of banking and to be not less than \$10,000 nor more than \$50,000. Provision is made for the advertisement of the application and the commissioner is given discretion to approve or disapprove the application. Licensees shall keep books of account, showing complete records of business transactions, statements of assets and liabilities, which shall be reported twice a year to the commissioner. Licenses may be revoked within 24 hours after notice in writing to the holder.

Those not Affected

Moneys received for transmission to a foreign country by any licensee must be transmitted within five days from the receipt thereof. It is further provided that the provisions of this bill shall not apply to corporations authorized to do business under the provisions of the banking law, associations formed under the national banking act, hotel keepers who receive money for safe keeping for guests, express companies or an individual or partnership, or unincorporated associations receiving money on deposit for safe keeping or for transmission to others. Violations of the provisions of this act are made a misdemeanor or a felony, and the penalty on conviction is fixed at imprisonment not exceeding two years, a fine not exceeding \$1,000, either or both, within the discretion of the court.

The New Montana Law

The new law which goes into effect in Montana July 1st, this year reads as follows:

Section 1. It shall be unlawful hereafter for any person or persons in any wise to conduct a commercial banking business, or a banking business of discount and deposit, within the state of Montana in the capacity of an individual or of a co-partnership or of an unincorporated association unless the name under which such bank is known and conducted shall contain the name of such individual or the name of at least one actual and responsible member of such co-partnership or association, in addition to which name there shall be no other designation than the words "Bank of," "Banking House of," "Banker," or "Bankers."

Section 2. Every such individual, co-partnership, or association intending to conduct such a bank or banking business within the state of Montana shall, before the receipt of any money

whatsoever on deposit, actually own and possess, within the state of Montana, approved property or assets not exempt from execution of the minimum value of not less than twenty thousand (\$20,000) dollars in cities and towns having a population of 2,000 or less; in cities having a population of over 2,000 and less than 5,000 the sum of thirty thousand (\$30,000) dollars; in cities having a population of 5,000 and less than 10,000, the sum of fifty thousand (\$50,000) dollars; in cities having 10,000 population and less than 25,000 the sum of seventy-five thousand (\$75,000) dollars; in all cities having a population of 25,000 or over, the sum of one hundred thousand (\$100,000) dollars which financial condition must appear and be carried on the books of any such bank or banks. Such requirement shall extend and be applicable separately to each and every private bank conducted by any person, co-partnership or association, and no asset or assets shall appear on the books of more than one bank.

Private Banks to be Examined

Section 3. Every private bank, corporation or association, conducting a banking business within the state of Montana, operating under the foregoing provisions shall be subject to examination and visitations of the state examiner once each year, and oftener when deemed necessary by said examiner, who shall have full power and authority to investigate and examine all books, papers and effects of any such bank or banking house for the purpose of ascertaining the financial condition of any such bank or banks, and shall have the power in aid thereof to administer oaths to any person or persons, or the agent or employees of any person or persons conducting such bank or banking business.

Section 4. Any knowledge or information gained or discovered by the state examiner in pursuance of his powers or duties as herein prescribed, shall be deemed confidential information of the state examiner's office.

Must Also Publish Reports

Section 5. The cashier of any bank doing business under the provisions of this act when so directed by the state examiner shall make a report to the said state examiner at his call; which report shall not be made less than four times during each year, and which said report shall not be made less than two calendar months apart, which said reports shall be made in a form prescribed by the state examiner, verified by the oath or affirmation of said cashier, which said statements or reports must contain a full abstract of the general accounts of the bank, and exhibit under appropriate head the resources and liabilities thereof, so as to plainly show all of the resources and liabilities of said bank and the amount at any time thereof, which said statements shall be transmitted to the state examiner within five days after the receipt of the request or requisition therefor. Said report in such condensed form as may be required by the said state examiner must be published once in a newspaper of general circulation in the place where said bank is located, or if there be no newspaper of general circulation published in said place, then in the nearest newspaper available, which publication must be at the expense of the bank making said report, and such proof of publication of the said report shall be furnished as may be required by the said state examiner. The state examiner shall also have power to call for special reports from any particular bank whenever in his judgment the

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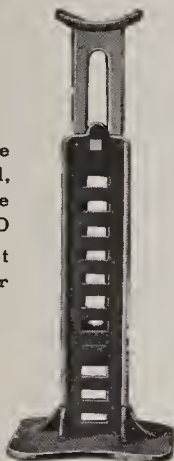
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same are necessary under the provisions of this act.

Section 6. Whenever the state examiner after a full and careful examination of the affairs of any such bank as provided for herein shall find evidence of any impairment of the property or assets hereinabove provided for, or evidence of the insolvency of any such person, co-partnership or association, he shall immediately prepare and submit his statement of its condition to the governor and the attorney-general, and if the governor and attorney-general are satisfied from such statement that such impairment or insolvency exists, they shall order the state examiner to notify the person or persons, co-partnership or association conducting such bank to make good such impairment or insolvency within a specified time, or the said governor and attorney-general may order the said state examiner to immediately take charge of such bank and to furnish an official bond for such sum as the governor and attorney-general shall designate.

Power to Seize the Books

Section 7. If so ordered by the governor and the attorney-general, the state examiner shall forthwith take possession of all the books, records and assets of any such person, co-partnership or association conducting such bank and shall be authorized and empowered and is hereby directed to take such action as in his judgment is best for the protection of the depositors and creditors, and the person or persons conducting such bank, and may proceed as hereinafter provided. While in charge of the state examiner, all books, records, and assets of any such bank shall not be subject to execution or attachment.

Section 8. If the person or persons, conducting such bank do not make good the said impairment or insolvency within the time as prescribed in section six hereof after notification,

the state examiner is authorized to take charge of said bank and all its property and assets upon the direction of the governor and the attorney-general.

Section 9. If it appears necessary to have a receiver appointed for such bank or banking business, the state examiner shall make full and complete report of the condition of the assets and liabilities of such bank to the governor and thereafter if it shall appear to the governor that a receiver is necessary, he shall thereupon direct the attorney-general to file his petition in the district court of the county in which such bank is located asking for the appointment for a receiver in the name of the state of Montana, and such petition shall be controlling, and shall be by the court so considered and acted upon even though the depositors or creditors or other persons may have theretofore filed application for the appointment of a receiver. When any such petition is filed as herein provided no suggestion shall be contained therein as to the person to be appointed by said court to act in such capacity. Receivers of all such insolvent banks appointed under the provisions of this act shall conduct said bank so taken charge of under the supervision of the state examiner and the state examiner shall take such steps with reference to said bank as he shall think advisable, either to close up the affairs of said bank in accordance with law, or to place said bank in a solvent condition. The receiver herein provided for is subject to the same restrictions and liable to removal for a dereliction of duty whenever the court may deem it advisable so to do.

Receivers may be Appointed

Section 10. The receiver provided for in this act shall receive such reasonable compensation as shall be ordered by the court and in no

event shall such compensation exceed the fees allowed executors and administrators in the administration of estates of deceased persons under the laws of this state.

Section 11. The actual and necessary expenses, and the sum of ten (\$10.00) dollars per day shall be allowed the state examiner for the performance of the duties imposed by this act, which shall be paid in full by such bank under investigation for the time actually spent in making such investigation and in going to and returning therefrom.

Section 12. If the state examiner, or his deputy, shall fail to perform any duty imposed upon him under the provisions of this act, or if any person or the members of any co-partnership or association, shall violate any of the provisions of this act, they shall be guilty of a felony and shall be punished by imprisonment in the state prison for a term of not more than five years.

Section 13. Any person, or the members of any co-partnership or banking association, wilfully or knowingly receiving deposits, money, or commercial papers, circulating as money, when such person or co-partnership or banking association is insolvent, or who subscribes or makes any false statement, or entries in the books of any such bank or who knowingly subscribes or exhibits any false papers with the intention of deceiving any person authorized to examine the condition of any bank provided for in this act, or who wilfully subscribes or makes false reports to the state examiner, shall be guilty of a felony and shall be punishable by imprisonment in the state prison for a term not exceeding five years.

Section 14. All acts and part of acts in conflict herewith are hereby repealed.

Section 15. This act shall be in full force and effect from and after July 1, 1911.

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For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Kollos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

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Books on Banking, Finance and Economics

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The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

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Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

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The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

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"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,
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SEEKS A CHICAGO HEIRESS

G. A. Herolz, a banker and real estate dealer of Linton, N. D., expects to find a woman in Chicago who is heiress to an estate valued at between \$35,000 and \$40,000. The woman is an aunt or a sister of Patrick Gahan, 65 years old, who died intestate in San Diego, Cal., on December 15, 1910, and, among other property, left \$6,000 in cash in Herolz's bank in Linton. Herolz knows very little about the man who banked with him. Twenty-five years ago Patrick Gahan arrived in Linton practically penniless and took up a claim, he said. He prospered steadily and lived quietly. The only personal matter he would talk of was his experience as a soldier in the Civil War. Once, however, he mentioned to Herolz that he had a sister or an aunt in Chicago, but her name was not learned.

Department of New Business

NORTHWEST

Danvers, Ill.—Frank Simpson has been elected president, and William Otto, vice-president, by the stockholders of the recently organized Farmers State Bank.

Homer, Ill.—The Homer Savings Association is the name of a new concern being incorporated here, capitalized at \$1,000,000. J. M. Ocheltree is one of the promoters.

Latham, Ill.—W. L. Games is reported one of the promoters of the new State Bank of Latham being organized in this town.

Rardin, Ill.—The Rardin Bank is a new banking concern organizing here, and Sam Rardin has been appointed president, and Bruce Rardin, cashier.

Sumner, Iowa.—The First Trust and Savings Bank, with a capital of \$10,000, has filed articles of organization. Frank Westcott is president and C. W. Pennington vice-president.

Plentywood, Mont.—The new Security Bank has elected the following officers: D. N. Tallman as president; Andrew Tadness, vice-president; N. L. Nelson, cashier, and F. N. Huff assistant cashier. The capital of the institution is \$20,000.

Minneapolis, Minn.—A new bank will be located in the vicinity of Sixth and Lyndale avenues. R. Weinstein, of 1138 Aldrich Avenue; Max H. Greenberg, R. Brooks and others are interested.

Bayard, Iowa.—The Farmers State Bank has been organized with a capital of \$15,000. John Cornish is president. Orlo Adamson vice-president and T. Lundy cashier.

Pentwater, Mich.—The Citizens State Bank is the title of a new incorporated institution with a capital of \$20,000.

Allen, Mich.—A new bank is to be organized at this place with a capital of \$20,000.

Oakland, Minn.—The new State Bank of Oakland reports the following officers: Alfred Christopher as president; R. B. Skinner vice-president and James L. Sorenson cashier. The capital of the institution is \$10,000.

WEST

Collinsville, Okla.—First National Bank of Collinsville, capital, \$25,000; N. O. Colburn, vice-president; G. L. Hicks, cashier. (Conversion of Oklahoma State Bank of Collinsville.)

Guymon, Okla.—City National Bank of Guymon, capital, \$25,000; E. T. Guymon, president; Chas. Summers, vice-president; I. E. Cameron, cashier; G. W. Blakely, assistant cashier. (Conversion of Beaver County Bank of Guymon.)

Williamstown, Kan.—The Williamstown State Bank has been organized with a capital of \$10,000. P. H. Welper and others are promoters.

Furley, Kan.—The Furley State Bank is the title of a new chartered institution capitalized at \$10,000. F. W. Sanders is president and G. Merrill cashier.

Kimball, Kan.—A new bank is to be organized here with a capital of \$10,000. W. S. Marles will be president.

Seappoose, Ore.—The Farmers State Bank opened for business March 9th, with O. M. Washburn as cashier and William H. Ross, of St. Helena, president. The bank will build.

SOUTH

Marmaduke, Ark.—The Farmers Bank has been chartered with a capital of \$25,000.

Huntsville, Ark.—The Farmers and Merchants Bank is the title of a new chartered institution, capitalized at \$25,000.

Meansville, Ga.—C. H. Humphrey has been elected president, R. L. Barrett vice-president and cashier and Grady Langford, assistant cashier of the new Bank of Meansville.

Hobbsville, N. C.—The Farmers State Bank is the title of a new chartered institution. C. B. Hathaway, E. A. Roundtree, S. B. Carter and others are interested.

Northfork, W. Va.—The State Bank of Northfork has filed articles of organization, with a capital of \$20,000. R. R. Roberts, S. H. Huff and I. H. Robbin of Northfork; E. H. Evans of Elkhorn and A. D. Rice of Worth are promoters.

Union Mills, N. C.—The new Peoples Bank reports the following officers: J. D. Morns as president, W. F. Flack vice-president, T. M. Minish cashier and W. B. Walker assistant cashier.

Ridgeway, S. C.—W. J. Johnson is president, J. W. Teams vice-president and W. H. Elrod cashier of the new Farmers and Merchants Bank.

McDonough, Ga.—The new Farmers and Merchants Bank has elected the following officers: H. J. Turner, president, and D. C. Turner, cashier.

Memphis, Tenn.—The German-American Savings Bank has been chartered with a capital of \$25,000. J. J. Fanner, J. E. Scheiber and others are promoters.

Appleby, Tex.—The First State Bank has filed articles of incorporation. Chas. H. Tindall, J. H. Seay, W. H. Seay and others are promoters.

Garland, Tex.—The First Guaranty State Bank is the title of a new chartered institution, capitalized at \$30,000. Jesse Tucker, W. C. Kingsley, M. C. Williams and others are promoters.

Webster, Tex.—The Webster State Bank has been chartered with a capital of \$10,000. J. S. Kendall, Jesse H. Jones, R. L. Winfrey and others are interested.

Buena Vista, Tenn.—A new banking company is to be organized here with a capital of \$10,000. S. C. Cawthon is president, A. W. Butler, vice-president, and Fred Chambers, cashier.

EAST

Knoxville, Pa.—First National Bank of Knoxville; capital \$25,000.

Watkins, N. Y.—Glen National Bank; capital \$50,000.

Mill Hall, Pa.—The Mill Hall State Bank has been organized with a capital of \$30,000. Charles Dunn of Lock Haven, O. E. Glise of Island and L. O. Davis of Lancaster and others are promoters.

Wilkes-Barre, Pa.—The Hanover Savings Bank has been organized with a capital of \$50,000.

St. Henry, Ohio.—The St. Henry Bank has filed articles of organization with a capital of \$25,000 by J. H. Romer, Henry Romer and others.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

Association headquarters in the Rookery Building. Many of the portraits included in this list are known by numbers, by aliases, and also by names, the latter being very often fictitious. Rewards are offered aggregating several thousand dollars for the burglars who broke jail at Monmouth after having been captured for the Swan Creek bank robbery; also for burglars who escaped from the sheriff's posse captured after making an attack upon a bank at Walnut, Ill., and for a forger who is working a little game on members of the association within the state.

PICTURES and full details may be had at association headquarters and the rewards offered total \$3,300 which ought to be attractive to professional thief catchers.

IN addition to all the above, the state association is offering a reward of \$2,000 for the capture of the robbers who held up the First National of Blue Mound in Macon county. These circulars besides aiding in capturing these criminals ought to prove an incentive to isolated country banks toward taking out additional burglary insurance. Many of the banks which have been robbed recently are located in flimsy buildings which are used for other purposes as well as banking and neither the building nor the safes in use afford much protection against daring, skilful operators. Burglary insurance is the answer to the whole question so far as the bank is concerned.

BLOOMINGTON has had a successful bank consolidation merging the Third with the First National with intention of using the latter title in the future. D. M. Funk is the president of the consolidated institutions, Geo. L. Parker is the vice-president, and C. W. Robinson, vice-president and cashier. This makes the First National the largest institution in the city.

THE enlarged bank will have a capital and surplus of more than \$650,000. It is among the oldest of Bloomington's well-known banks, has always been prosperous, and the Third National which it absorbed has had a successful career.

"BACK to the soil" has received quite an impulse in McLean county by a recent transaction in acres. C. K. Ream of Chicago has just purchased 960 acres, all in Gridley township, for \$220,800. This gives Mr. Ream ownership of 2,300 acres, all located in two townships of that county. The property is valued at more than one half million dollars.

NOTHING is stated in the news of this transaction as to what Mr. Ream's intentions are but the belief down around Bloomington is that the entire property will be used for farm purposes under the most skilful director who can be found in the country. The soil conservation committee of the Illinois Bankers Association probably would do right well to add Mr. Ream to their long list of big farm owners in this state. Much good might come of it.

FROM a down-state farmer we get rather a pessimistical inquiry as to just how far the patent fertilizer companies are responsible for the present conservation movement in the Illinois Bankers Association. It is pretty certain that up to the present time they have had nothing to do with it. That they are quite anxious to be included is very evident. Those who have the welfare of the movement most at heart are fully aware that if private interests are too much injected in this thing, it will prove to be a failure and fall of its own weight.

R. W. WIGLE who for ten years has been an assistant cashier in the First National at Boyne City, Michigan, has left that position to

accept the cashiership of the Big Rapids Savings Bank. This notice has been sent out officially by S. C. Smith, cashier of the First National at Boyne City.

GEORGE L. RAMSEY has resigned as president of the Union Bank and Trust Co., Helena, and has been elected chairman of the board. The directors passed handsome resolutions with "best wishes for Mr. Ramsey's future success in whatever enterprise he may decide to direct his activities," just as if the board chairmanship was only "a bouquet?"

NEW officers were elected as follows: S. McKennan, president; A. P. Curtin, vice-president; Frank Bogart, vice-president; R. O. Kaufman, cashier and secretary, and C. B. Pfeiffer, assistant cashier. The directors of the bank will be: B. F. White, president First National of Dillon; R. S. Ford, president of Great Falls National; A. P. Curtin, of Helena, merchant; R. C. Wallace, of Helena, president of the R. C. Wallace Company; Hon. Joseph K. Toole, former governor of Montana; Horace Elling, of Virginia City, manager estate of Henry Elling; S. McKennan, president; Frank Bogart, vice-president, and George L. Ramsey, chairman of the board of directors.

FIFTH-THIRD NATIONAL, Cincinnati, shows resources in excess of \$25,000,000. Since the date of the merger the Fifth-Third has justified all promises by making a fifty per cent increase in deposits. June 1, 1908, they were twelve millions and now they are nearly nineteen millions. Edward A. Seiter is a vice-president, having advanced from the cashiership on merit. Charles A. Hinsch, the president is one of Ohio's best known bankers. Monte J. Goble is cashier.

J. F. DAVIS, western manager of the Winton Motor Car Co., has sent out notice from his Chicago office that hereafter Winton experts will call on Winton owners once each month to look over and adjust his car free of charge. New parts when required will be furnished at cost. Even if you bought your car from a neighbor this offer goes. So if you have a Winton get on the list at once and enjoy life.

WASHBURN (ILL.) BANK (Chas. H. Ireland and Co.) opened in their new banking room, March 25th. Open house was kept from 8 A. M. to 10 P. M. and a crowd was present most of the time. There were an orchestra and a refreshment booth in continuous performance.

THE slight decrease in San Francisco bank deposits as compared with a year ago, is accounted for by the fact that the latest call came just at tax-assessment time, when deposits had been temporarily withdrawn for the purpose of conversion into non-taxable forms of wealth. Significant features are the large proportion of cash means to deposits, indicating an ability to expand credits materially should the need arise.

WILL LIVINGTON COMFORT has the long story in April Lippincott's. "The Rising Road" is title of this full sized, finished novel. Can you beat it for 25 cents?

P. V. GOSHEFF, aged 38, private banker, saloonkeeper and realty dealer of Granite City, was instantly killed last week as he was entering his saloon at Olive and Pacific streets in that city. He was shot three times by Karl A. Mitsareff, his "partner" in the bank and in the saloon.

THE murderer is a known fugitive from justice in his own country and he and his victim were the representatives for the Macedonian Banking Association of New York, which, it is said, failed for nearly \$1,000,000. Members of the Macedonian colony had on de-

posit about \$75,000 with the branch in Granite City, and there was bitter feeling at the time. The two men received many threatening letters, which were turned over to the police. Mitsareff declared he had lost \$30,000 in the venture and accused Goshoff of embezzlement. Goshoff was arrested and jailed at Edwardsville. Goshoff's wife, after he had been in prison awhile, arranged \$1,000 bond for her husband. The case is still pending.

UNDER a modern banking law such as recently was adopted in Alabama, now up for passage in two other states, these thugs could not have opened a "bank" and duped depositors out of \$75,000 to quarrel about. More's the pity!

FIRST STATE BANK, Elkhart, Ind., is in its new bank building and enjoys it hugely. The public thronged the place opening day and indicated its approval.

CASHIER.

TAKES POSITION IN HAYTI

E. A. Weber, cashier and office manager for Peabody, Houghteling and Company during the past two years, has accepted the position of treasurer and auditor of the National Railroad of Hayti, and left this week with his family for Port Au Prince, which is the capital of the Haytian republic.

Mr. Weber is a native of Indiana, formerly residing at Columbia City where he had one year's experience in the First National bank of that city. Afterwards he studied law in the office of Governor Thomas R. Marshall, and was admitted to the bar. Coming to Chicago, he entered the trust department of Central Trust Company of Illinois, remaining two years, and leaving Central Trust to go with the Chicago office of Hornblower and Weeks in their bond department.

The National Railroad of Hayti at the present time operates about 30 miles of standard gauge steam railroad. This system when completed contemplates a mileage of 350 miles or more to connect all the principal seaports with the capital and the interior of the island. The important products of the island are coffee, sugar-cane, sea-island cotton, bananas, and dye-wood. At present the trade is largely with Nova Scotia and France. The island, which is the second largest of the West Indies group is just off the east coast of Cuba. The National Railroad is being constructed by a New York financial syndicate, of which W. R. Grace and Company, are the managers. Mr. Weber is a son-in-law of L. D. Skinner, assistant cashier of Central Trust Company of Illinois.

CORN PRODUCTS DEAL

The Corn Products Refining Company, the so-called \$80,000,000 glucose combine, has begun the manufacture of candy as a side line. It has obtained control of the Novelty Candy Company, whose output is to be greatly increased. To this end the Novelty Company's plants in Jersey City, Pittsburgh, Memphis and Chicago are being enlarged. However, the statement is made that the Corn Products Refining Company will confine its operations to the cheaper grades generally known as glucose candies.

L. T. SOUTHER A VISITOR

Latham T. Souther, cashier of Sangamon Loan and Trust Company, Springfield, was among recent callers at Western Trust and Savings Bank. Retail business and collections are good in the Springfield region. Money is easy and financial people are in a comfortable frame of mind.

Over 70,000,000 acres of coal land in the West is still owned by Uncle Sam.

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

DONNELL SAFE COMPANY

Established 1886

200-202 East Washington Street
CHICAGO, ILLINOIS

The Audit Company of Illinois

1439-42 First National Bank Building, Chicago

Specialists in Auditing and System-
atizing Public Service Corporations

C. W. KNISELY, C. P. A.
President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

FOURTH STREET NATIONAL BANK OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,400,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits	\$ 2,000,000
Deposits	28,000,000

OFFICERS

ALFRED L. BAKER	-	Vice-President	DAVID R. FORGAN	-	President
H. E. OTTE	-	Vice-President	HENRY MEYER	-	Assistant Cashier
F. A. CRANDALL	-	Vice-President	A. W. MORTON	-	Assistant Cashier
L. H. GRIMME	-	Cashier	WM. N. JARNAGIN	-	Assistant Cashier
W. T. PERKINS	-	Assistant Cashier	WALKER G. McLAURY	-	Assistant Cashier
W. D. DICKEY	-	Assistant Cashier	R. U. LANSING	-	Manager Bond Dept.
			M. K. BAKER	-	Asst. Manager Bond Dept.

The Girard National Bank OF PHILADELPHIA

Capital,	-	-	\$2,000,000.00
Surplus and Profits,	-	-	4,450,000.00
Deposits,	-	-	38,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

APRIL 8, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Executive Council

The administrative committee of the American Bankers Association, consisting of President Watts, Vice-President Livingstone and Chairman Huttig, held meetings in Washington March 27th and 28th, being in attendance at the sessions of the currency commission of the association.

To the administrative committee was referred the matter of arranging the details for the council meeting, and Nashville and the fine new Hotel Hermitage were visited recently by General Secretary Farnsworth with a view of arranging for the various meetings. In addition to the regular sessions of the council, there will be sessions of the various committees of the association and the sections, on Monday, May 1st. The council meeting being held in the home city of President Watts, it is the determination of the bankers and the board of trade of that city to entertain those present, such entertainment to be arranged so as not to interfere with the business sessions which will be important and in keeping with the necessities of the occasion.

Many of those who will attend these meetings will arrive on Sunday, April 30th, there being a special train de luxe over the New York Central from New York City which will provide for the bankers from New York and vicinity as well as from New England. The Pennsylvania Railroad System also has placed at the disposal of the bankers, who wish to go from the east and south, its best train service, and the accommodations for which this road is noted, both in its equipment and in its schedule. From Chicago there will be a train de luxe over the Chicago & Eastern Illinois Railway, leaving Chicago at 6:20 p. m., Saturday, April 29th. This train will care for the bankers from that vicinity and the Northwest and is due in Nashville at about 8 a. m. on Sunday.

Following is the program as outlined:

Sunday, April 30th—Automobiles for sight-seeing through the beautiful country surrounding Nashville, over its magnificent turnpikes.

Monday, May 1st—Committee meetings.

Monday evening, 7:30 o'clock—Banquet at Hotel Hermitage with the compliments of the hotel. Address by James B. Forgan of Chicago on Banking and Currency Legislation and the Aldrich Plan. (Informal.) Talks by others to be called upon.

Tuesday, May 2d—Sessions of the executive council at Hotel Hermitage.

Tuesday evening—Reception and dance at the residence of President F. O. Watts.

Wednesday, May 3d—Sessions of the executive council at Hotel Hermitage.

The Nashville Clearing House Association will have automobiles at the Hotel Hermitage at all times for sightseeing, and especially during the days of the council meetings, to provide for the ladies; making trips to the Golf Club, and the famous Hermitage, the home of Andrew Jackson.

SWIFT ATTACHE DIES

Secretary Hartwell, of Swift and Company, died Saturday last.

Northwestern Elevated's March daily average was 124,741 passengers or .43% increase.

Fort Dearborn National in Own Building



Above is the executive department showing officers' desks and part of main banking room.



To the left is the President's office showing the desk of William A. Tilden.



To the right is shown the directors' room, said by many to be the finest in the city.

VISITING bankers frequently pronounce the new Fort Dearborn National's new home to be a model bank building. Its counting room excites the warmest praise and for security, comfort and convenience many doubt if it ever has been surpassed. Built for the American Trust, it for a short time held both it and the Continental National. After the Continental-Commercial alliance the fine building was purchased by Fort Dearborn interests. The Fort Dearborn Trust Co. will occupy the first floor and the Fort Dearborn National the next three floors. The bank has had a rapid growth under its present officials who are: Wm. A. Tilden, President, Nelson N. Lampert, Vice-President, J. Fletcher Farrell, Vice-President, Henry R. Kent, Cashier, George H. Wilson, Assistant Cashier, Charles Fernald, Assistant Cashier, Thos. E. Newcomer, Assistant Cashier.

Money Inactive

Money stagnation is reported at nearly all Chicago banks. Rates have remained easy at 4 to 5 per cent for commercial loans and about 5 for real estate loans. Some call loans on listed securities are reported at 4 per cent. Bonds are fairly active and steady. Bankers say that more activity is expected as the new crops approach maturity. Mercantile trade is abnormally dull and improvement comes slowly.

Forgan to Speak

While in Washington, President James B. Forgan gave his promise to deliver the "orator of the evening" address at the council banquet at Nashville. He will go down with the Chicago Special, over the C. & E. I. and like most of those going will take his wife. The train is purely de luxe and the guests will be returned in the same equipment. The Nashville program is printed in this issue.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$10,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary
EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
RALPH C. WILSON - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor
H. LAWTON - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN J. ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

181 LaSalle Street

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PHILADELPHIA

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Bayne, Ring & Company Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

228 La Salle Street

Chicago, Illinois

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital, - \$1,250,000
Deposits, \$10,000,000

Thoroughly equipped to handle all business pertaining to banking and invites the accounts of banks, corporations, firms and individuals

OFFICERS

JOSEPH E. OTIS, President
WALTER H. WILSON, Vice-President
LAWRENCE NELSON, Vice-President
HARRY MOORE, Cashier
ADDISON CORNEAU, Asst. Cashier
LLOYD R. STEERE, Asst. Secretary
W. C. COOK, Vice-President
W. G. WALLING, Secretary
A. E. COEN, Asst. Cashier
LOUIS H. SCHROEDER, Mgr. Bond Dept.
J. J. RAHLF, Mgr. Foreign Exchange Dept.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

FRANK D. BRUNDAGE, handshaker for the K. N. & K. Company, New York, was in Chicago this week on his way to the Arkansas convention. His busy season is on now—from now until the last one in the fall.

CITIZENS SAVINGS & TRUST COMPANY of Cleveland, has issued a new edition of "Growth," the handsomest booklet on hardy shrub gardening ever seen. It shows how to get "growth" and almost perpetual bloom in the garden. It tells all about the care of hardy flowers and how to make your color combinations. Write for a copy.

SECRETARY FROST of Minnesota keeps his members posted on the legislative situation with a well arranged file of bills in which bankers are interested. All hear, also, that he is very clever in his direct work with the legislators. Judgement and discretion count for much in such matters.

MR. FROST has given much time to urging the passage of the regular uniform bills prepared by Attorney Paton of the A. B. A. Besides the bills named, the superintendent of banks has introduced in the senate, S. F. No. 678, a bill which provides for increasing the number of bank examiners, and for other additions and improvements in the banking department. Since the new bank department bill was passed there have been organized 97 new state banks, which involves considerably more work for the department.

ON the Back to the Soil movement Mr. Frost writes his membership that: "You undoubtedly are aware that the Minnesota Bankers Association through its officers and executive council, has been making a strong effort to improve conditions in our rural schools, especially with reference to increasing the facilities for teaching scientific agriculture and other industrial subjects. Your committee offered quite valuable assistance in procuring the passage by the house of the Holmberg bill, House File No. 210, and also in getting the senate committee on education and finance to recommend the same for passage by the senate. This bill provides for the formation of consolidated schools and provides substantial state aid for all classes of such schools. We have also done considerable work in connection with the Putnam agricultural high school bill, which is an amendment of the same bill introduced at the last session, increasing the number of such high schools and broadening the scope of their work."

AUSTIN (TEX.) NATIONAL is sending out nice, shiny postals showing its new bronze and marble banking room. It is strictly high grade and up to date.

WE are having trouble with our Mexican war correspondent, Señor Woodruff di Joliet, U. S. A. He now is at Tijuana and instead of insurrectos he writes of senoritas and illustrates his letters, not with battle scenes but with pictures showing a gaudy red and yellow matador teasing an emaciated maverick. The

whole thing will have to be "revised and rejuvenated."

DAILY newspaper headlines are telling us "New York stocks have another dull day." Authorities say, however, that conditions are favorable for an advance later on, whenever the uncertainties are out of the way and confidence in the ability of business to proceed legally, is restored. Large sums for investment are waiting for this same clearing-up. With stocks in strong hands, money easy, and credit conserved by reason of long continued liquidation of enterprise, temporary disturbances should be met without much disturbance.

ED. T. KEARNEY, over at Jackson, Nebraska, calls his institution "The Bank that Treats You Right," and offers a standing reward for any who can show that the bank ever treated him wrongly. That's pretty good stuff and he means it.

IN a letter, celebrating his bank's 25th anniversary, Mr. Kearney says: "On April 14, 1886, the writer opened, in a modest way, the doors of 'The bank that always treats you right,' has been with it ever since, and this month—is our quarter centennial. Its doors have been open each business day, every dollar due has been paid on demand and no legitimate loan been refused. There have been no land foreclosures, but one chattel mortgage closed and one or two petty justice suits, yet less than fifty dollars have been lost in all that time through bad notes."

"TWENTY-FIVE happy, prosperous years have passed. The bank has made some money for its owners, but more for its customers. It has paid out nearly one hundred thousand dollars to its depositors, in interest, has helped to place and keep many on their feet and destroyed or hindered none."

MR. KEARNEY promises to continue, with sleeves rolled up, to help all who want help and to keep up his high moral and business standard.

OUTING MAGAZINE, until May 1st, will give two subscriptions for the price of one. Get a copy and send one to a friend. It will make two happy, hearty out-door men out of both of you. You can't beat it.

PUBLISHERS frequently speculate as to the actual importance of book reviews to the public, the author and themselves. To judge this question under the most complete conditions by securing to one of their new publications criticisms unquestionably candid and adequate. The Bobbs-Merrill Company have devised a prize review contest. The Prodigal Judge, by Vaughan Kester, published March 11, 1911, is the book chosen for the purpose, because it possesses unusual interest and offers special opportunity for the exercise of critical judgment.

CASH prizes of \$500 will be given for the best review and, between friends, J. A. S.

Pollard can "cop the coin" if he wants to do it.

APRIL letter from Northwestern National, Minneapolis, calls attention to the fact that "North Dakota has strengthened its banking law by making further provision for more complete examination and supervision. It is evident that the people in the Northwest are awake to the proper safeguarding of their banks, with which, in their business relations, they come more closely in touch than with any other interest."

SAME authority also says that, "The enterprise and determination resulting in better laws as to bank supervision, which is continually being evidenced in the Northwest, might well be used as an example in states which were well developed in other ways when the business of the Northwest was in its primitive stages. Montana has just placed herself on record as a state which is developing along modern lines, by passing recently a law requiring specific amounts of capital for private banks, with the assets representing such capital definitely apportioned to each particular institution and such requirements as to examination and reports to the state examiner as practically place the banks on the same basis as regular incorporated institutions. Minnesota, North Dakota, and South Dakota have no private banks, and each meeting of the legislature witnesses continued efforts to correct any existing undesirable features. New laws are introduced from time to time to further strengthen the banking situation."

HERE is notice to Joseph Chapman, Jr., to Mabel S. Doud, to Fred A. Crandall, et al., that in sending in printed-on-both-sides copy to publishers, to send always two copies. Waukesha papers please copy with notice to Andrew J. Frame.

THAT was a fine two-acre table the Western Trust sent out showing "who's here" in the banking line and how they arrived. One of the dailies said "Joseph E. Otis prepared the tables" but we shall have to see the original films. Ah there! Corneau?

ON March 31st, Frank P. Judson retired (officially) from the firm of W. T. Rickards & Company, but we fail to see the justification for that company sending out notice (part in caps) that "you are hereby notified not to honor his signature on any documents pertaining to the business of this company."

IF this is an attempt to be merely formal, all right, but if it is a slap at Judson we can name without the book an army of good bankers who will resent it seriously. If there be one among you little likely to transgress in such like matters his name is Frank P. Judson.

WC. POWELL has resigned the presidency of the Fourth National, Jacksonville, Fla. John E. Harris was elected to the position. Oscar E. Dooley, so long with the American National, at Macon, Ga., becomes a vice-president.

(Continued on page 31)



COLONIAL TRUST AND SAVINGS BANK

205 La Salle Street, CHICAGO

JACOB MORTENSON, Vice-President
R. C. KELLER, Vice-President and Cashier

LONDON CABELL ROSE,
President

EMIL STUEDLI, Assistant Cashier
W. F. DOGGETT, Assistant Cashier

We offer a convenient and efficient service to those desiring a Chicago connection

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
R. M. MCKINNEY, Cashier
WM. B. LAVINIA, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier
WM. H. HURLEY, Asst. Cashier

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
C. T. JAFFRAY, Vice-President
A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President

D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

CORN EXCHANGE CAPITAL - \$3,000,000.00 SURPLUS - \$5,000,000.00 UNDIV. PROF. \$ 500,000.00

NATIONAL BANK . . OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President

CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

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In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

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THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

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THE CHICAGO BANKER

Founded in 1898

VOLUME XXX

CHICAGO, APRIL 8, 1911

NUMBER 14

Advocates New Banking Law

Bankers Association in a strong plea for a better banking law at Little Rock convention

President George R. Wood of the Arkansas

This is the twenty-first annual meeting of the Arkansas Bankers Association and I congratulate you that you now are of lawful age, and I hope, sound in mind and body. I am pleased with the large attendance and the zeal and enthusiasm of the members and believe much profit and pleasure will be had from the meeting.

The cordial, hearty and generous welcome which has been extended to you by the bankers and good people of our capital city should make you feel at perfect ease and allow you to get down to the work to be done at this meeting. It is customary for your president to deal in facts and figures upon the state's resources, its possibilities, the enormous aggregate value of its products, the vastness and extent of its undeveloped resources, the demand for, and safe employment of large sums of outside capital, the need of greater and better railroad facilities, the erection of manufacturing plants of all kinds, our almost inexhaustible timber resources, the value, extent and profitableness of our rice fields, the money we get from agricultural and horticultural products, the fabulous wealth in our mountains of zinc and other minerals, but I will refrain from entering this domain, for I believe it is known to nearly all civilized, English speaking people that Arkansas is one of the greatest, (if not the greatest) states in the Union. It has more to offer in the way of varied resources, navigable rivers, good water, unexcelled climate, good schools, good citizenship, good government, law-abiding and God-fearing people, sociable and warm-hearted friends than any other state. "Arkansas on Wheels" has done and will continue to do a great work for our state.

The railroads in the state are doing effective work in the way of advertising and exhibiting our great resources. Outside capital is pouring into the state, going into lands, manufacturing plants, new and better houses. Capital is no longer afraid to enter our borders. Our school, drainage, levee, water and other public utility bonds are eagerly sought after. Within five miles of my home town, which includes the great city of Fort Smith, within the ninety days just past, nearly one and one-half million dollars have been invested in water, bridge and levee bonds. If we had more of these and similar securities to offer the financial world much good could be done with the money thus derived.

I believe the state, counties, cities and municipalities should be given greater latitude and broader powers in the way of creating bonded indebtedness for legitimate and needful improvements.

If the beautiful state capital building which adorns one of the hills of our capital city, could have been built by a two and one-half or three million dollar bond issue the burden would be borne by present and future generations. It is all right to do a spot cash business, but I doubt the wisdom of pauperizing the present in favor of future generations.

The banks of the state never were in a more prosperous condition. They are loaded with money, deposits are large, the people are happy and prosperous. Peace reigns supreme not only in the state, but throughout the nation. The mobilization of government troops on the Mexican border may mean a great deal, possibly the annexation of Mexico. I do not know what it means, but it certainly looks like business.

At the meeting of the state association held in Ft. Smith last April, it was decided, by a narrow margin, to hold this year's meeting at Eureka Springs. At a meeting of the executive council held in the city of Little Rock on February 20th at which every member of the council was present, after a thorough and full discussion of the reasons offered, the council decided to change the place of meeting from Eureka Springs to Little Rock, and I hope the action of the council will meet with your approval. The principal reason for making the change was the hope that the bankers throughout the state would take advantage of the occasion and visit Little Rock while the legislature was in session and meet the senators and representatives from their respective counties and discuss with them the wisdom or lack of wisdom of putting into effect as enacted laws many of the bills now pending before the legislature. It occurs to me that it is possible, and the time is opportune, for this legislature to make itself one of the most memorable and praiseworthy ever assembled in the state. There is much that should be done and much that should be left undone. The enactment of laws liberal and friendly to capital would do much to upbuild and develop the

state. By this I do not mean that railroads, the targets of law makers and law enforcers, should not be compelled to inaugurate and maintain a live and let live policy nor that they should be taxed to death or legislated out of existence. I am not here to plead the cause of the railroads, but I sometimes think they get the short end of it. It is right and proper to prevent and regulate exorbitant charges in passenger or freight rates, but there may be a limit beyond which even the railroads cannot go. The tendency is to look with disfavor upon corporations of all kinds. This may not be always for the best, for it is in the aggregation and concentration of capital that many of the great and good things of the day are made possible. Without the aggregation of capital there would not be a regularly organized national or state bank in Arkansas today. Regulate and keep within proper limits all corporations, but do not, by legislation, stifle, cripple, suppress or exterminate those which are useful and needful to the development and upbuilding of our state.

If we accomplish the ends hoped for by changing the place of meeting to Little Rock it will be necessary for every member of the association to make it his special duty to see their members and urge them to give us a good banking law. The whole tendency of modern business thought is towards publicity of the affairs of corporations and others who are debtors of the public. Without exposing in any way the relations of an institution with its own patrons, or giving publicity to private affairs, the interested public is entitled to know the quality and amount of assets and the nature and extent of the liabilities of any concern inviting and enjoying public confidence, hence the imperative necessity for the enactment of a good, sound banking law. At this time there are two bills pending in the Arkansas legislature, the Deaton-Turner bill in the senate and the Warnock bill in the house. The senate bill is practically the bill prepared by the banking laws committee of the Arkansas Bankers Association, and the Warnock bill, up to Section 62, is nearly an exact copy of the senate bill. The senate bill has never reached a vote, hence we do not know what will be its fate at the hands of that body, but the fact that it has not reached a vote does not inspire us with confidence. The Warnock bill has passed the house and is now up to the senate where it may sleep the "sleep that knows no waking." For the bankers of the state to favor the Warnock bill would be to favor the depositors' voluntary guaranty law. Personally I am not in favor of a guaranty law, but rather than fail in securing some kind of a new banking law, I believe I would accept it. As I understand the Warnock bill, I think it is optional with the banks as to whether they will avail themselves of the guaranty feature. A failure to do so, however, would inpose upon the stockholders a three time liability clause, which, at first blush may seem a little severe, but if the stockholders have a bank whose transactions



GEORGE R. WOOD

Van Buren, Ark.

President of Arkansas Bankers Association

they are not willing to guarantee, they had better get out of the business. The bank with which I am connected is a state bank, and it is a good one, so good in fact, that I believe the stockholders would willingly say to the public, yes, we are willing to be held personally responsible to the extent of three times our holdings, for the transactions of the bank. If you have a good bank, and are running it upon safe lines what do you care in how much you are bound? If a man comes into your bank to borrow money and is not willing to go his own security, by pledging his property, you had better let him alone, and you should be willing to guarantee your work. Do not understand me as being in any wise favorable to any kind of a depositors' guaranty law, for I believe it is wrong in principle and unjust in its workings, but I do want some kind of a banking law. Our neighboring state, Oklahoma, is going through the crucial test on the depositors' guaranty law, and to an outsider the experience does not seem to be favorable to it. On March the 3d the state banking board levied an emergency assessment of one per cent on the average individual deposits of all the state banks, for the purpose of creating a special fund to be placed to the credit of the guaranty fund of the state. The assessment is effective at once and will yield approximately \$500,000.00. It is believed that many of the banks will refuse to meet the levy, and it is declared that in anticipation of this levy a number of the state banks, during the past two or three months have become nationalized and a number of others have their arrangements made for following the same course. Information which comes to the federal authorities is to the effect that banking conditions in Oklahoma under the state system are decidedly unsatisfactory.

For several years our state association has said it favored the enactment of a good banking law and has whereased and resolved upon the question, but when the next legislature convened and the time came to do something, the bankers themselves defeated the passage of any kind of a banking law. There is no sound argument against the enactment of a good banking law. Every man, woman and child in Arkansas (except some who are engaged in banking) are in favor of it. All legislation along monetary lines by the national congress is favorable to the national banks and if the state bankers do not encourage and procure the passage of a good banking law, they will lose out, finally. Their depositors and public sentiment will discriminate against them to such an extent that they will have to nationalize or go out of business.

The postal savings bank is no longer a theory; it is now a condition and has come to stay. The first two months' experience of the forty-eight banks recently established in this country was very satisfactory to the postal department. The deposits in these banks in the two months amounted to \$133,869.00. At this ratio the deposits at the forty-eight offices after one year's operation will exceed \$800,000.00. In view of the successful operation of the system during the first month, Postmaster-General Hitchcock recommended to congress the appropriation of a million dollars to be immediately available for extension of the system. The act of congress provides that the funds received at the postal savings depository offices in each city, town, village or other locality shall be deposited in banks located therein (substantially in proportion to the capital and surplus of each bank) willing to receive such deposits, and that any bank, whether organized under national or state laws, subject to national or state supervision and examination, may be legally qualified as a depositor for the postal savings fund. There is no doubt in my mind but that the number of

postal savings banks will be largely increased, and I fear the bankers will be surprised when they discover how much of their deposits they have absorbed. If thirty or forty thousand of these banks should be established just think what an enormous aggregate their total deposits will make. As the system grows and is extended I believe the five hundred dollar limit will be expanded or entirely removed.

The conditions which confront us in the way of monetary legislation by the national congress, such as the extension of the postal savings system, the adoption of the Aldrich bank plan, or some similar plan, are such to make it imperative on the state banker, at least, to

STATE NATIONAL OF LITTLE ROCK

Many of the visiting bankers at the Little Rock convention made their personal headquarters at the State National, on invitation of Cashier R. D. Duncan, who has a wide ac-



R. D. DUNCAN
Cashier State National, Little Rock

quaintance over the state. The State National shows deposits of one and threquarter millions and carries at all times a heavy cash reserve with which to help out its correspondent banks.

To Net 6 Per Cent.

We offer at par and interest a Two Year 6% Secured Note of a prosperous public utility company operating in ten rapidly growing communities. The security for these notes represents an actual cash investment equal to 165% of the total issue.

Ask for our Circular C-831

Guaranty Trust Company of New York

28 Nassau Street

Capital \$5,000,000 Surplus \$18,000,000
Deposits - \$133,000,000

throw around himself and his business all the safeguards a good banking law would give.

The panic of 1907 put all the ablest financiers of the country to thinking and trying to devise a plan or system which will prevent the recurrence of another such calamity. Several plans have been suggested and from all of them it is hoped some good plan will result. Without a state bank law and supervision and inspection it will be impossible for a state bank to become a depository for the postal savings funds. With a state bank law the state banks will be on an equal footing with the national banks.

There are many other laws that should be passed for the benefit of the people and the good of the banks. Among them I will mention:

A uniform negotiable instrument law; a law making it lawful for a notary public, who is a stockholder, to take acknowledgments, etc., under certain conditions; a law relative to the payment of deposits made in trust; a law making it a felony to make a false statement in order to obtain credit; a law to punish persons making or circulating derogatory statements affecting banks; a law to punish the giving of checks or drafts on banks when the person so giving shall not have sufficient funds; a law relative to the payment of deposits made in two names, the acquittance of either to be good; a law fixing the liability of a bank to its depositors for payment of forged or raised checks, fixing a limit, and a law defining the crime of burglary with explosives and providing the punishment therefor.

The belief that the enactment by the present session of the legislature of a good banking law, is the paramount question before this meeting, must be my apology for devoting the principal part of this address to that subject.

I will not attempt to give you an account of my stewardship. The report of our most worthy and capable secretary will give you information upon the growth and condition of the association. I thank you for the assistance rendered to and the uniform courtesy shown me.

GROUP FOUR'S ANNUAL

It was found to be impossible Tuesday night to determine the time and place of Group Four's annual meeting.

It was decided that Messrs. Stevens, Scheidhelm and Jackson should see the other North Shore bankers and determine whether the meeting should be held at Ravinia Park or at Evanston, on a date that would conflict as little as possible with other meetings.

A party of twenty enjoyed the banquet at the Sherman and the theatrical performance later in the evening. Frank D. Brundage, assistant manager of Knauth, Nachod and Kuhne, New York City, was a guest of Group Four.

DETROIT BANKERS HERE

H. C. Wiedeman, president, and S. F. Walsh, one of the directors of the new Metropolitan State Bank of Detroit were callers at LaSalle Street National the fore part of the week. Much interest surrounds Detroit's new banking enterprise, which starts with a capital of \$250,000 and surplus of \$125,000. It has excellent prospects.

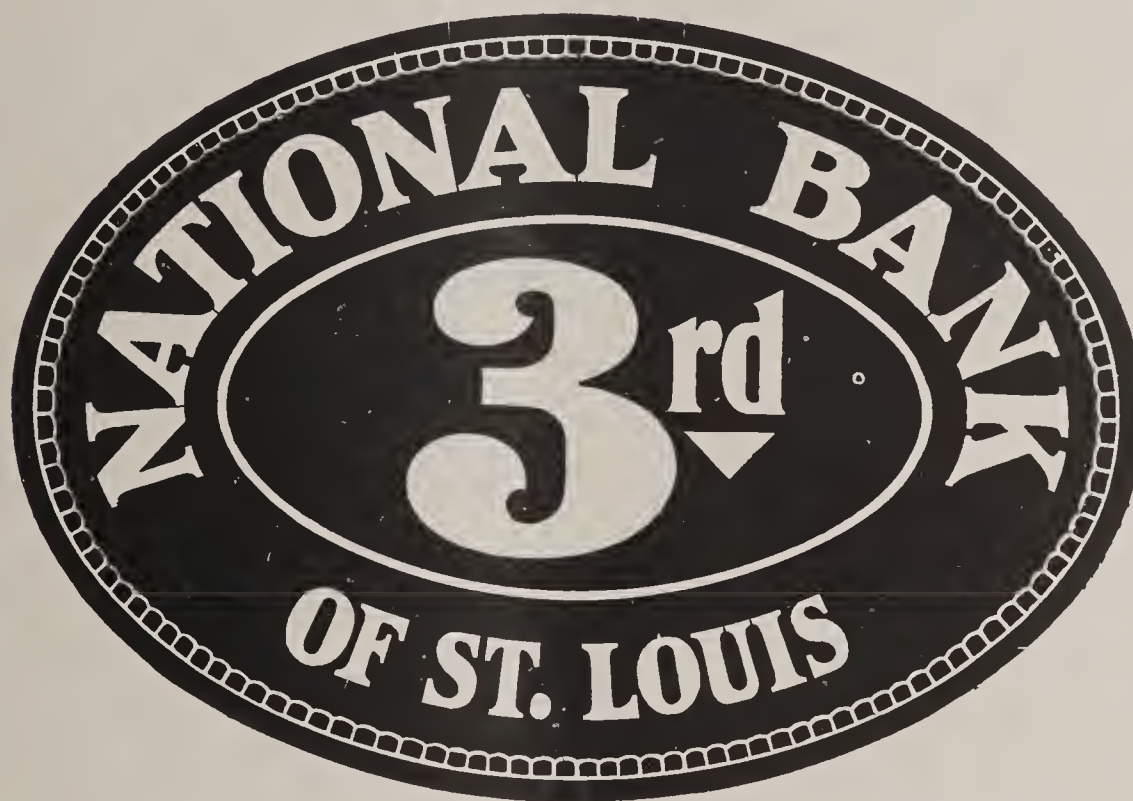
VISITOR FROM SIOUX CITY

W. L. Montgomery, vice-president of First National of Sioux City, was a visitor at National City Bank, Chicago, the fore part of the week. He reported good crop prospects and a fair general business, with a downward tendency in the price of agricultural products.

Five men broke in the State Bank at Hudson, Kan., and carried off \$4,600.

OFFICERS

C. H. HUTTIG, President	D'A. P. COOKE, Assistant Cashier
T. WRIGHT, Vice-President	R. S. HAWES, Assistant Cashier
G. W. GALBREATH, Cashier	H. HALL, Assistant Cashier
J. R. COOKE, Assistant Cashier	E. C. STUART, Assistant Cashier



CAPITAL	-	-	\$ 2,000,000.00
SURPLUS	-	-	2,000,000.00
DEPOSITS	-	-	35,000,000.00

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

Deposits over - - 24,000,000

OFFICERS

L. A. GODDARD, President
JOHN R. LINDGREN, Vice-President
HENRY A. HAUGAN, Vice-President
HENRY S. HENSCHEN, Cashier

FRANK I. PACKARD, Asst. Cashier
C. EDWARD CARLSON, Asst. Cashier
SAMUEL E. KNECHT, Secretary
WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,430,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930



IN CINCINNATI

With Resources of **TWENTY-FIVE MILLION DOLLARS**

And every facility for the satisfactory handling of Bank Accounts

CORRESPONDENCE INVITED



ILLINOIS BANKING NEWS

By C. C. Burford

The season of the year when the farmer is active is at hand. Oats sowing is about completed and farmers are soon to begin work on the preparation of the soil for corn, that great staple crop of Illinois. More wheat will be raised in some localities than heretofore. So far it is thought that the fruit crop is safe. The recent season of wintry weather will do much toward delaying the progress of the buds and just this sort of weather has been needed. Several fruit growers in the neighborhood of Springfield have expressed the belief that the fruit buds are safe so far.

Good judges of farming conditions deplore the fact that farmers insist on burning corn stalks and other substances which plowed under would make excellent food for the coming crop. The work of the Illinois Bankers Association on soil conservation is sorely needed and bankers throughout the state can do much to aid this movement. On the front elevation of the agricultural building at the University of Illinois are these words, "The wealth of Illinois is in her soil and her strength lies in its intelligent development," and "Industrial education prepares the way for a millenium of labor." Farmers and bankers have a great work before them.

Attempt to Rob Waggoner Bank

Yeggmen added another chapter to the criminal story of Illinois when they attempted to gain access to the interior of the vault of the bank at Waggoner, a village a few miles

north of Litchfield. Two charges of nitroglycerine were applied to the vault but the yeggmen lost their courage before gaining access to the interior of the vault and escaped. Citizens arrived and a posse of farmers and townspeople was quickly formed to pursue the bandits. The bank will lose nothing but the damage to their vault door.

Moline Has Gigantic Corporation

The city of Moline is known as far as agricultural implements are used. The new steel plow manufacturing corporation, which will be the immediate future expansion of Deere and Company, involves a merger of twenty-two concerns and branch houses with a capital of \$50,000,000. The charter for the new corporation extends over ninety-nine years.

New Bank at Albany

State Auditor McCullough has issued a permit to S. B. Dinond and others to organize the First Trust and Savings Bank of Albany at Albany, Whiteside county, with a capital stock of \$25,000.

Chatsworth Bank in New Home

The new home of the Commercial National bank, of Chatsworth, was thrown open to the public April 1st and it was thronged with patrons and friends who extended their best wishes to the directors and officers. They in return showed their appreciation by giving souvenirs and cigars to the men, flowers and souvenirs to the ladies, and candy to the children.

The new building has a substantial front of buff Bedford cut stone. The interior is fitted with circassian walnut, Royal red marble and U. S. standard solid bronze grilles and guard rails, all of high ceiling, heavy ornamental plaster special patterns and designs. With its beams, artistic decorations and neatly arranged fixtures and furnishings, the arrangement of the offices all makes the interior very attractive.

The new vault is one of the latest improved type of re-enforced steel and concrete, lined on the inside with heavy steel plates and combines all the features of safety and convenience that modern ingenuity can suggest.

Took Land for Grocery Bills

While most grocers in Illinois would be very glad to accept rich corn belt land in payment of amounts of money due them, it is not the rule for any of them to be so favored. However, William Redhed, a wealthy land owner and bank director of Tolono, acquired considerable of his landed interests in payment of grocery bills due him as a pioneer merchant. During his early life in Tolono, where he has lived for over fifty years, Mr. Redhed was forced to accept swampy land in southern Champaign county which at that time he was often loath to take. Those were the days when "everything drowned out" and land was worth but little. Times are different now and Mr. Redhed's land is an almost priceless heritage to his children. He is the heaviest stockholder in the Citizens National of Decatur and a director in the First National of Urbana.

Illinois Notes

B. B. Daw, formerly engaged in the banking

**MOLINE
ILLINOIS**

Peoples Savings Bank & Trust Co.

Capital and Surplus \$300,000

Deposits over \$3,000,000.00

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Firms and Individuals on Favorable Terms

WM. BUTTERWORTH, Pres. NELSON B. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.

**MOLINE
ILLINOIS**

F. E. FARRELL

Established 1864

E. E. CRABTREE

F. G. FARRELL & COMPANY, Bankers

Successors to First National Bank
JACKSONVILLE, ILL.

ACCOUNTS AND COLLECTIONS SOLICITED

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Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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Representing American Bankers Association
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WE SUCCEED WHERE OTHERS FAIL

We make the same rate for Bankers' private work
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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over
\$40,000,000.00



business for fifteen years at Launemin, Livingston county, is dead. Interment was at Dwight.

The total amount in warranty deeds in Ford county during the month of March was \$1,354,106 and in mortgages \$558,555, or a total of \$1,912,461—or in round numbers \$2,000,000. With land bringing an average of \$200 an acre much money is required to handle it.

The Illinois Traction System has let contracts for the construction of its line from Morris to Joliet and efforts will be made to have the line in operation by next October.—The surveyors for the St. Louis, Peoria & Northwestern railway company have been in Pekin for the past several days, being engaged in surveying the route for the proposed line between Peoria and Girard. The line will cross the La Marsh drainage district and the whole length over this district will be a grade about twenty feet high. A steel bridge will be built over the Illinois river. It is said that the company proposes to establish transfer yards southwest of Pekin about two miles. The line is being built principally for heavy freight traffic, altho a passenger service will also be given.

A KANSAS CITY OPTIMIST

President E. F. Swinney of First National of Kansas City was a caller at Continental-Commercial National Monday, Kansas City is experiencing the common trade depression, which keeps money stagnant, but President Swinney is optimistic as to the later months of the year and for the future generally.

Banking Opinion

"This trade depression may come to an end in a few weeks now," said Vice-President Ralph Van Vechten of Continental-Commercial National to a representative of THE CHICAGO BANKER Thursday.

"There is every indication of big crops and the country is bound to prosper when the farmers are getting big returns. The nation is on a sound basis and dull times are not likely to last beyond midsummer, if they do that long.

"There is no reason for losing confidence. The causes of the depression are temporary conditions. I predict the usual activity for the fall months."

Wet Weather is Encouraging

Wet weather, which has been splendid for farmers, has prevailed over the Central West for more than a week and in that time it is believed that practically every square mile of this district has received a soaking of rain or snow. The business situation has been featureless but there has been a steady undercurrent of strength.

"Normal business is reported from the country," said J. R. Dominick, president of the

Traders National Bank of Kansas City, "and I would say that conditions generally are satisfactory. It is too early yet for much activity among cattle feeders, but after April 10th, I look for a strong demand for money. There has been very little variation in either loans or deposits in Kansas City or Omaha during the past ten days. All our bankers appear to be in good spirits and the widespread rainstorms have been fine for the farmers."

Predicts Trade Revival

President James F. Sullivan, of the Market Street National Bank, Philadelphia, who recently returned from a trip abroad, had this to say of the business outlook in Europe: "I found business better in England and on the Continent than in the United States. A representative of a large steel manufacturing company of this country, who was traveling on business in Europe, told me that he found the same condition of affairs that I noted. I was surprised to see that extensive building operations are going on in Madrid. I believe this country, in view of the abundance of money and the low rate of interest, will shortly witness a revival in all kinds of business enterprises."

The interior of the Farmers and Merchants Bank at Gibson City is being renovated and remodeled.

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TRUST
COMPANY
OF
NEW YORK**

CAPITAL & SURPLUS

\$1,000,000

Pays a rate of interest consistent with good banking

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Fidelity and Forgery BONDS

Burglary Insurance

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John A. Spoor

S. M. Felton

George M. Reynolds

Joyce & Company (Incorporated)

General Agents

The Rookery

Chicago

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

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Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Business conditions in Milwaukee are reported generally good and this is further evidenced by the daily bank clearings which are running a trifle ahead of the clearings for the same period a year ago. Collections at the various banks are reported as satisfactory. The demand for loans is about normal for this time of the year. Considerable activity has been noted of late among the leading manufacturers, notably in the iron and steel trades, and in one instance a large machinery manufacturer, employing several hundred hands, reports that they are already running behind in filling orders.

Country banks are reported to be in excellent condition and are carrying unusually large balances with their city correspondents.

Although early to predict the crop returns for 1911 weather conditions have been such as to justify the presumption that they will be fully as good if not better than for 1910.

Bond salesmen who are returning from points out in the state report a good demand for the better grade of securities and are very optimistic concerning the summer and the fall trade.

Shows Large Increase

According to a report issued by State Bank Commissioner A. E. Kuolt, the state banks and trust companies of Wisconsin showed great prosperity at the close of business March 7th.

There were on that date 425 state and savings banks, an increase of seven to the number of January 7th, the date of the last report.

Their total resources and liabilities March 7th, were \$16,743,506.72, an increase of \$4,444,906.11 over the amount given January 7th.

The total deposits on January 7th were \$14,071,500.51, an increase over the deposit on January 7th of \$3,365,430.38. This is considered to be the real proof of the banks' prosperity.

Eleven trust companies in Wisconsin on March 7th listed their resources and liabilities at \$11,186,744.68.

Bank Changes Announced

Changes in Wisconsin banks were recently announced in the treasury department at Washington as follows:

American National Bank, Marshfield, P. M. Christianson, vice-president; vice E. E. Winsh.

Marine National Bank, Milwaukee, A. H. Lindsay, E. H. Williams, cashier, vice A. H. Lindsay; G. W. Moore, assistant cashier, vice E. H. Williams; C. D. Prentiss, assistant cashier.

Assist Agricultural Department

According to Secretary George D. Bartlett of the Wisconsin Bankers Association, arrangements have been made to co-operate with farmers throughout the state in improving the quality of crops. The association has already secured the promise of a quantity of pure seed from the Wisconsin Agricultural College, and it is expected that the first contest will be held during the coming summer.

Secretary Bartlett will endeavor to start at

least one contest in each of the seven banking groups of the state outside of Milwaukee. It is the intention of the association to furnish the seed to some enterprising bank in each one of the groups. These banks must agree to secure at least one hundred contestants among the farmers in their respective sections. In the fall awards will be made. The agricultural college has promised to send professors to act as judges in these contests and these men will also award the prizes and deliver a lecture on the best method of increasing crop yields.

Yeggmen Sentenced at Hudson

The secretary of the Wisconsin Bankers Association, George D. Bartlett, received word on Tuesday of this week that the six yeggmen who have been on trial at Hudson recently have been found guilty, their argument for a new trial being denied. Five of the six have been sentenced to Waupun Penitentiary for ten years each. Frank Smith was the sixth man but has not as yet received sentence, the judge wishing to investigate his character before pronouncing same. These six men were arrested in Hudson two months ago and a quantity of nitro glycerine and complete burglars' outfit was found in their possession. They came into Wisconsin from Minnesota and it is claimed that they intended to burglarize a bank a short distance east of Hudson.

An attorney was provided by the Wisconsin Bankers Association to assist in the prosecution, and through the association the previous records of these men were established justifying



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Marshall & Ilsley Bank

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S. H. MARSHALL	J. H. TWEEDY, Jr.
R. N. McMYNN	GUSTAV REUSS
	C. C. YAWKEY

ing the court in giving them the full penalty under the law.

The six men convicted gave the following names: Frank Daniels, alias "Francisco Danny"; George Williams; John Howe; Frank Mulvaney; John Webb and Frank Smith.

Considerable credit is given to the police authorities of Hudson for their prompt arrest of these men.

To Increase Penalty

The Wisconsin Bankers Association is fathering a bill to lengthen the sentence for bank burglary in this state. Under the present law twenty years is the limit for this crime and the association wishes to have the term increased from 25 to 40 years. A week ago officers of the association went to Madison for the purpose of conferring with the legislature in regard to the introduction of such a measure and it was learned that a bill had already been passed cutting down the burglary sentence from a maximum of 20 years to a maximum of eight years. This shortening of the sentence it is claimed, is the result of the parole law which makes it impossible to parole prisoners who are sent up for more than ten years. Bankers however, are anxious to have the burglary sentence lengthened believing that a long time sentence will do more toward preventing crime of this character in this state than any other possible method.

North Dakota it is said, was overrun with yeggmen two years ago, eleven banks having been broken into within a few weeks. The legislature of that state made the penalty for this crime more severe and since the new law went into effect there has not been a bank burglary reported in that state.

Park Trip Excites Interest

Judging from the number of inquiries, concerning a proposed trip by special train to Yellowstone Park of Wisconsin bankers immediately following the state convention in July, which are being received daily at headquarters, it now looks as though this trip may assume more definite proportions than merely on paper. Already a number of bankers have asked for further particulars and have signified their intention of taking this trip if they can possibly arrange matters at home so as to spare the time. With still a little over three months to lapse it is now thought that instead of one car, two and possibly three may be necessary to convey the Wisconsin party.

The Wisconsin Banker and Secretary Bart-

lett of the Wisconsin Bankers Association are taking care of the minor details connected with this trip and judging from the good time enjoyed by those who occupied a special train en route to Los Angeles last fall it will prove to be one of those trips never-to-be-forgotten.

Wisconsin Banker for Half a Century

Herman Erb, president of the First National Bank of Appleton, recently celebrated his 50th anniversary as a banker. Mr. Erb commenced work in the Outagamie County Bank at Appleton on March 26, 1861, and upon the failure of that bank became associated with the First National Bank of Appleton, November 14, 1870, retaining the position of cashier and signing every official report of that bank for forty years until elected president of the institution upon the death of H. D. Smith and being succeeded by the present cashier, George H. Utz.

Mr. Erb comes from a family of bankers, his father having been a banker in the old country, and he is to-day one of the active business men of Appleton.

The First National of Appleton has deposits of nearly two and one-half millions and is recognized as one of the strongest banks of Wisconsin.

Wisconsin Legislative News

Under the heading of "The Secretary's Corner" in the April number of the Wisconsin Banker, the official publication for the state association, the legislative measures pertaining

to banks and now pending at Madison, are summed up as follows:

Twenty-four bank bills have been introduced in the senate and sixteen in the assembly. The latter body has already passed the bill prohibiting loans on bank stock of certain banks and prohibiting loans on real estate except in Wisconsin and adjoining states and the bill which prohibits loose-leaf books of original entry. The bill requiring all directors of state banks to be residents of Wisconsin has also been passed.

Bills providing for additional examiners' fees, increased fees of commissioner and deputy and for increased payments by banks for examination fees, have been reported for passage by the assembly committee and are now in the hands of the finance committee, who seem to object to the increase in the salaries of the commissioners.

The Crowell bill providing for the segregation of savings deposits and the Binner bill authorizing cities to conduct savings departments, and also the Long bill relating to the liability of stockholders of banks, have been recommended for indefinite postponement by the assembly committee.

Senator Owen's bill providing for the guaranteeing of deposits has not been reported upon by the senate committee and very little talk is heard among the members of the legislature concerning this bill.

Paragraphs on Wisconsin Banks

Cashier W. K. Smith, of the Oconto National Bank was a visitor in Milwaukee recently.

United States secret service agents are busy in Milwaukee endeavoring to locate the person or persons who are circulating counterfeit \$20-bills, counterfeit bills of \$5 and \$10 denominations are also said to be in circulation.

The First National Bank of Shullsburg has been selected as a Wisconsin state depository by the state board of deposits. This institution has recently added \$3,000 to its surplus of \$62,000.

The Commercial Bank of Chilton was recently organized in that city with a capital of \$25,000. The following officers were elected: President, F. G. Eggerer; vice-president, Henry Paulson; cashier, A. C. Kingston; directors, F. G. Eggerer, Joseph Hanart, Henry Paulson, O. L. Dorschel; A. J. Steffes; Walter J. Kroehnke and R. C. Hugo. A new building will be erected immediately for this bank.

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J. S. CALFEE, Cashier

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G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

Considerable difference of opinion exists among St. Louis bankers as to the condition of the money market. Certain institutions report a fairly brisk call, while elsewhere there are complaints of slowness in the inquiry for all classes of loans. Certain it is, however, that the week has developed no marked improvement in general business. While no one can explain just why things are quiet, the fact remains that there is a holding back which is curtailing the volume of transactions in nearly all lines, and this is reflected in slightly reduced clearings. Total clearings for the month of March were under those of a year ago, and last week's aggregate was less than that of the preceding week or of the corresponding period in 1910.

It is agreed that conditions are fundamentally healthy, much more so than at any time since the last panic, but some extraordinary factor is needed to infuse life and produce industrial momentum. Thus far the demand from the country for spring agricultural purposes has been unusually light. Banks handling this class of business report shipments of currency and gold smaller even than last year. Country banks appear well able to handle the crop needs with their own resources, and as a result the reduction of balances of rural institutions at this center has not been on a parity with the last ten year average. The complaint is that business is routine, routine, with no new enterprises nor anything out of the usual to stimulate a demand for money. Activities absolutely necessary to life and existence and the conduct of daily economy are being financed, but this is so easy to do that surpluses are not vanishing, and rates remain painfully low—that is from the banker's viewpoint. Prices of all food products are declining, and this is especially true of cereals. In the local market wheat touched the lowest point since 1907, and indications are for still lower levels. The flour trade is stagnant. Another barometer, the lead and spelter market, points to quietness. Values in that line have not declined so much, but the trend is downward and demand extremely slow. Deposits are holding their own fairly well, and reserves with all leading banks are high.

Equitable Surety Company

The Equitable Surety Company of St. Louis, one of the largest concerns of the kind in America, obtained a charter this week from the Missouri State Insurance department. The capital stock is \$1,000,000, all of which is paid up. This company was organized early this year, and the organizers include some of the most powerful men financially in the West.

James E. Smith is president. The directors are Edward Mallinckrodt, C. H. Huttig, B. F. Edwards, R. E. Maloney, Thomas M. Pearce, George T. Priest, H. C. Haarstick, A. T. West, J. E. Smith and J. S. Humphrey. The headquarters are in the Third National Bank building.

Veteran Banker Passes On

Francis Kuhn, organizer and for many years president of the old Chemical National of St. Louis, died this week after a long illness. Mr. Kuhn was born in the Province of Lorraine, France, but had been a resident of St. Louis since 1858. He was interested in numerous enterprises here, and organized the Anthony and Kuhn Brewery, which was absorbed by the St. Louis Brewing Association.

Beggs Comes to St. Louis

John I. Beggs has severed his official connection with the Milwaukee Electric Railway and Light Company, a North American property, and come to St. Louis to begin his work as president of the St. Louis Car Company. Mr. Beggs is a director in the Third National, and was formerly president of the United Railways Company and Laclede Gas Light Company of this city.

Cuts Capital Stock

The American Bakery Company, at its annual stockholders' meeting this week, voted to reduce the common stock from \$2,000,000 to \$1,000,000. Only two stockholders voted against the proposition. The date for calling in the surplus stock for cancellation was not fixed. No dividends have been paid on the common stock since the organization of the company, about four years ago, and the reduction is expected to pave the way to some payment to common shareholders in the near future. The company has \$753,300 preferred stock outstanding, on which an annual divi-

dend of 7 per cent is being paid. There are also \$1,000,000 6 per cent bonds.

Building Fairly Active

Building operations in St. Louis for the month of March, according to the report of Building Commissioner Smith, were more than \$2,000,000, which shows an advance over the corresponding month a year ago. Statisticians in Mr. Smith's office say the increase is as large as that shown by any other city in the United States. Reports indicate that many cities will show a falling off. This is in a measure accounted for by the fact that banks and trust companies in other parts of the country have been placing their money in other securities. Here money for building purposes has been very easy to get, and the rate of interest has been comparatively low. It has been possible to secure money at from 5 to 6 per cent, according to security.

Frisco Bonds Listed

About the only feature on the St. Louis Stock Exchange this week was the listing for trade of \$7,000,000 St. Louis and San Francisco General Lien 5 per cent gold bonds. This is the French series, and was listed here in response to many demands, there being extensive holdings in St. Louis and the tributary territory. Bank stocks have been extremely strong, though dull. National Bank of Commerce and Bankers Trust both scored goodly gains, and St. Louis Union Trust made a new high record price, selling on Monday at \$437.50. Mechanics-American National and Third National shares have been in excellent demand, with offerings almost nil.

Independent Telephone Stocks

Stocks and bonds of the independent telephone companies had another spurt of activity and strength, Kinloch Telephone being most affected by the strength. The rise in price of this stock is attributed in certain quarters to the activity of interests associated with J. P. Morgan and Company. Efforts have been made to purchase all the floating stock in the market. The Morgan house has evolved a scheme for merging the independents and St. Louis is the pivotal city in the consolidation. Control of the Kinloch Long-Distance Telephone Company, which owns the Kinloch Telephone Company is held by a group of trustees. This pool has fought the Bell interests tooth and claw, and will be loath to surrender control at any price to any interests which might dispose of it to the hated Bell Company.

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Alfred M. Bull	- - -	Vice-President	Henry C. Hooley	- - -	Assistant Cashier

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

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Club Banquet

A note of pathos and sadness marked the banquet of the Chicago Bankers' Club last Saturday evening. This gathering was the last of the season for the club, and a ladies' night had been planned. The banquet was held at the Blackstone hotel and drew the largest company that the club has entertained for many months.

"A message from across the sea has left me heartbroken and the sorrowful task of writing. I had hoped to clasp your hands in friendship and now must not cloud you with my grief, but ask your prayer that my waiting may not be in vain."

This message from Mrs. La Salle Corbell Pickett, widow of the late Gen. George C. Pickett, the Confederate general who was the leader of the famous charge in the final battle of Gettysburg, was read by President Goddard and caused a rearrangement of the program. Mrs. Pickett had been invited to be the guest of the evening and to tell tales of the old South. The message announced the probable fatal illness of Maj. George E. Pickett, U. S. A., who is stationed in the Philippines, and the inability of the mother to come to Chicago from Washington, D. C.

"For weeks I have been looking forward with pleasure to meeting you and your friends and telling you stories of my Southland and of my soldier, who is your soldier, too, for he was appointed to West Point from what was the Third district of Illinois, through the influence of your great statesman, Abraham Lincoln," said Mrs. Pickett in her letter to President Goddard. "The Virginia boy, studying law under his uncle in Quincy, Ill., met Mr. Lincoln, then practicing law in that city, and the friendship then formed was not broken by the lapse of years or the stormy time that brought death to the martyred president and to the soldier a melancholy fame engraved on the scroll of honor.

"The stories of my old South, of the old plantation days, and a people unto themselves such as the world never will see again, of the old black mammies and daddies who belong to a yesterday that has no dawning tomorrow, I had hoped to give you. Now I send you a copy of the cable that has broken my heart."

The accompanying cablegram was from the Philippines to the war department at Washington concerning the illness of Maj. Pickett.

It stated that Maj. Pickett's illness probably would terminate fatally within a few days. It was dated March 29th.

However, there was no lack of good features. In place of Mrs. Pickett's part on the program Benjamin Chapin gave impersonations of Abraham Lincoln. Mr. Chapin is an extremely tall man and has other characteristics which make him closely resemble Abraham Lincoln. He dressed exactly as the war president did and for an hour and a half held his audience spellbound as he presented scenes in Lincoln's stormy career. He gave the Lincoln speeches and stories with fine dramatic effect.

Carter's Carolinians, four men and three women, rendered plantation and jubilee music, winning unstinted applause. This was supplemental to the excellent work of the orchestra.

At Pierre, S. D., articles of incorporation have been filed for the Loyalton State Bank at Loyalton, Edmunds county, with a capital of \$10,000, incorporators, Henry Brown, John H. Mohr, Albert C. Jacobsen of Loyalton. For the Okaton State Bank at Okaton, Lyman county, with a capital of \$15,000, incorporators, C. H. Miller, H. L. Brandt, Samuel P. Brown and others of Okaton. L. A. Munson, cashier of the American Exchange Bank of Pierre, has purchased a controlling interest in the bank at Quinn, Pennsylvania county.

NOTICE OF BOND SALE

The Hood River Irrigation District, Hood River, Oregon, will sell \$70,000.00 completion bonds at the office of its secretary on April 17th at 2 p. m. The irrigation District is not a Carey Act project but is organized and operates under state law practically the same as a school district. These bonds bear 6% interest, semi-annual, are retired in 20 years, and are a first mortgage on the lands of the district, and a prior lien against the lands to everything else. The District has been operating 5 years and must now complete its system. The lands within the District are mostly bearing orchards and strawberry fields, and were last year assessed for state and county taxes at \$820,701.00. Further information will be furnished by

R. W. KELLY, Secretary.

American Telephone and Telegraph Co.

A dividend of Two Dollars per share will be paid on Saturday, April 15, 1911, to stockholders of record at the close of business on Friday, March 31, 1911.

WM. R. DRIVER, Treasurer.

CHICAGO UNLISTED SECURITIES

Among the more active unlisted securities quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK
American Chicle (com).....	230	235
American Chicle (pfd).....	104	106
Am. Fork & Hoe Co. (com).....	144	146
Am. Fork & Hoe Co. (pfd).....	126	129
American Laundry (com).....	37	39
American Laundry (pfd).....	108	110½
Am. Light & Tract. (com).....	292	295
*Am. Light & Tract. (pfd).....	105½	107½
Amer. Type Fd's (com).....	49	50
Amer. Type Fd's (pfd).....	100	101½
Beatrice Creamery (com).....	94	95
*Beatrice Creamery (pfd).....	89	90½
Bordens Cond Milk (com).....	120	121½
Bordens Cond Milk (pfd).....	108	109½
*Butler Bros.	297	300
Cities Service (com).....	66	67½
Cities Service (pfd).....	76½	78
Congress Hotel (com).....	81½	85½
Congress Hotel (pfd).....	65	69
Creamery Package Co.....	101½	103
Cumberland Tel. Co.....	147	149½
Diamond Rubber Co.....	260	260
Elgin National Watch.....	154½	157½
First State Pawnors.....	110	116
General Motors (com).....	36½	37½
General Motors (pfd).....	75½	76½
National Grocer (com).....	28	30
National Grocer (pfd).....	81½	82½
National Safe Deposit Co.....	132	138
N. W. Gas Lt. & Coke Co.....	92	98
North Shore Electric Co.....	87	
Northwestern Yeast Co.....	360	360
Union Carbide Co.....	113	114
U. S. Gypsum (com).....	9½	11½
U. S. Gypsum (pfd).....	75½	77
U. S. Motor (com).....	40	41
*U. S. Motor (pfd).....	75½	77
Western Electric Co.....	215	225

Miscellaneous Bonds

Auditorium 5's (1929).....		94½
Auto Elec 1st 6's (1928).....	76½	78
Chicago Athletic Club 5's.....	92½	94
Chicago & Milwaukee Elec 5's (1922)....	50	53
Chicago Sub'y 1st 5's (1928).....	25	26
Cicero Gas 5's (1932).....	94	95
Congress Hotel 1st 5's.....	93½	95
Dering Coal 5's (1955).....	31	32½
Emp Dist Elec 5's (1949).....	79	81
Ill. Athletic Club 5½'s.....	90½	91½
Interstate T. & T. 5's.....	48	50
La Salle Hotel Co. 6's.....	98½	99½
North Shore Elec 5's (1940).....	97½	98½
N. W. Gas Light & Coke 5's.....	99½	100

*Ex. Dividend.

The Farmers State has been organized at Bayard, Iowa, with \$15,000 capital.

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COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
January 7, 1911	16,736,997.29
March 7, 1911	21,574,956.79

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The committee chosen to formulate a program for the joint meeting of the Missouri and Kansas Bankers associations in Kansas City May 24th and 25th, has made a report. The convention will be called to order at the Willis Wood theater by A. O. Harrison, president of the Missouri Bankers Association. Following the invocation by the Rev. J. B. Silcox of the Westminster Congregational church, an address of welcome will be delivered by Mayor Darius Brown of Kansas City. After the routine business of the day which will include reports of committees, election of officers, etc., an address will be made by E. R. Gurney, vice-president of the First National Bank of Fremont, Neb. In the evening in Convention hall Franklin MacVeagh, secretary of the treasury, will speak, as will also Davie R. Francis of St. Louis on "Kansas from the Viewpoint of a Missourian," and by W. J. Bailey, of Atchison, on "Missouri from the Viewpoint of a Kansan." The following day F. O. Watts of Nashville, Tenn., president of the American Bankers Association, will make an address on "The American Bankers Association." The second day's program will also include an address by Judge Charles E. Lobdell of Larned, Kan., and William H. Burgess of El Paso, Tex. In the afternoon of the second day Judge I. P. Ryland of Kansas City will make an address, after which there will be an installation of officers.

Clearing House Election

The Kansas City Clearing House Association held its annual election Tuesday, April 4th. John F. Downing, president of the New England National Bank, was re-elected president of the association. P. W. Goebel, president of the Commercial National Bank of Kansas City, Kan., was chosen vice-president and Jerome Thralls, was re-elected manager. A clearing house committee was chosen of which Mr. Downing and Mr. Goebel were made members ex officio, the other members being E. F. Swinney, president of the First National Bank; J. W. Perry, president of the National Bank of Commerce and

Walton H. Holmes, president of the Pioneer Trust Company.

Nebraska Guaranty Law

Judge T. C. Munger of the federal court at Lincoln, Neb., has received the mandate of the supreme court of the United States in the Nebraska bank deposit guaranty case. This mandate is official authority for the enforcement of the guaranty law in Nebraska. The case came before the district court at Lincoln in October, 1909, on suit brought by fifty-four banks of the state against the governor, auditor and treasurer, seeking an injunction against the enforcement of the law. The case was heard by Circuit Judge Van Devanter sitting with Judge Munger. The

appeal was taken directly to the United States Supreme Court, which handed down its decision sustaining the law and reversing the lower court.

The bank guaranty law will be going into effect in Nebraska just as soon as details of the arrangement can be worked out by the state banking board. The most important feature of the administration of the law in its early stages will be the action taken by the board with regard to the payment of the sums which should have been placed in the hands of the board for the state banks in the last two years. The injunction of the district court prevented the collections of these sums. The law provided for the collection of installments of the guaranty fund from the state banks at various times in 1909 and 1910 and the collection of smaller amounts in 1911. Whether to call in the full amount of all that should have been paid in at once, or to proceed to collect the guaranty fund in the same amounts and at the ends of the same periods of time as provided for in the bill is the matter that the Nebraska board must decide.

Southwestern Miscellany

A telegram from Los Angeles informed the people of Tulsa, Okla., last week that D. F. Andrae, former cashier of the Farmers National Bank of Tulsa had been arrested at Glendale, Cal. The charge was falsification of accounts to the comptroller of the currency. The bank with which Andrae was connected failed about a year ago and he was called upon to make certain statements to federal officers. It is alleged that he reported that Eugene F. Blaise, the president, owed nothing to the bank. Later it is alleged, it was discovered that Blaise was indebted to the bank to the extent of \$3,500. It is understood that Andrae will fight removal to Oklahoma.

A charter was issued last week for the Oklahoma State Bank of Wapanucka with a capital stock of \$25,000. The directors are O. E. Loomis, James B. Farris, J. G. March, S. O. Barnes and E. T. Bradley of Wapanucka; William M. Dunn of Oley and M. A. Buntz of Olney, Okla. The Citizens' Bank of Delaware,

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Okl., was organized with a capital stock of \$15,000 with J. E. Campbell, P. S. Powell and E. B. Lawson of Nowata as directors.

Tom Slavin, who has been under arrest at Norfolk, Neb., pleaded guilty to an attempt to rob the Meadow Grove State Bank of Meadow Grove. He was sentenced to ten years imprisonment. Three companions have not been captured.

Nick M. Ellis, formerly cashier of the Planters' and Mechanics' Bank of Oklahoma City, Okla., has been arrested on a warrant sworn out by M. R. Garnett, assistant bank commissioner, charging that he forged the name of C. M. Reed to a note for \$2,000 payable to the Planters' and Mechanics' Bank. Ellis gave bond and was released.

James E. Combs, for ten years cashier of the Illinois Trust Company Bank of East St. Louis, has been elected by the directors of the First National Bank of St. Joseph, Mo., to succeed Ernest C. Hartwig, formerly cashier of that institution.

R. F. Graham, captured with the four Howard boys near Sentinel, Okla., last week, has been positively identified as one of the men who held up the cashier of the Bank of Crawford, Okla., a month ago.

The State Bank of Commerce of Oklahoma City, Okla., opened its doors for business Monday, April 3d.

The First National Bank of Thayer, Kan., failed to open its doors on the morning of March 31st. On the door was posted a notice stating that on account of irregularities in the accounts of S. M. Pickens, former cashier, the bank would remain closed pending examination. Pickens resigned a week before and left Thayer. His whereabouts is unknown.

Colonel Willis Wood, vice-president of the National Bank of the Republic of Kansas City, has returned from an extended trip through Japan.

The Citizens' Bank and Trust Company of Bartlesville, Okla., has been merged with the Bartlesville National Bank. Both concerns were pioneer financial institutions in eastern Oklahoma.

The month of March marked the highest clearing house record for St. Joseph, Mo., in the history of the association, which covers a period of thirty years. The March 1911 clearings were

\$38,006,723 and the increase over the corresponding month a year ago was \$2,120,954, or 5.58 per cent.

GRIMME BACK FROM CUBA

Cashier L. H. Grimme of National City Bank has returned from a month's outing in Cuba. Mr. Grimme will make the Texas trip with the commerce association and is down for a number of speeches. Cashier William R. Dawes of Central Trust is one of the bankers who will participate in the Texas visit. He is scheduled for several missionary talks.

COUNCIL BLUFFS BANKER HERE

President E. E. Hart, of First National, Council Bluffs, was a visitor at Continental-Commercial National Thursday. While money is plentiful and easy at Council Bluffs that section of the country is already feeling something of a trade revival.

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CHICAGO BANK STOCKS FIRM

Local bank stocks are firm but inactive. Advances within a week included the following: Fort Dearborn, 15 to 225; Central Trust, 4 to 175; Englewood State, 5 to 130. State Bank of Chicago sold at 378, the high record. Continental and Commercial sold at 281 and 282, ex-dividend.

The 722,500 shares of local bank stocks, not including the Continental and Commercial Trust or the First Trust, are held by 4,200 investors and their average market value is 293. The 8,750 shares of Illinois Trust held by the late William H. Mitchell are valued at \$4,248,750 by the market to-day. The present largest owner of local bank stocks is J. Ogden Armour, with \$2,750,000 the next in order being F. H. Rawson with more than \$2,000,000 and Norman W. Harris, Edward Morris, Byron L. Smith and the Marshall Field estate with nearly \$2,000,000 each.

Among holders with more than \$1,000,000 each are the Illinois Life Insurance Company, which recently increased its holdings to exceed \$1,300,000; George M. Reynolds, E. H. Gary, Samuel W. Allerton and the Spalding and Black estates. Mrs. Franklin MacVeagh, Mrs. McElwee and three other women stockholders average \$1,000,000 each in local bank shares. The Armour holdings are mostly Continental and Commercial and the Field estate's are mostly Merchants' Loan and Trust.

WINNIPEG BANKERS VOTE

Winnipeg, April 5.—At the annual meeting of the Winnipeg Clearing House association, Secretary Capel Tilt presented his annual statement showing the assets of the association to be \$119,000. The new items of business coming before the meeting were the consolidation of the by-laws and the raising of the prices of seats of membership from \$2,000 to \$3,000.

The election of officers and directors resulted as follows: President, John Fleming; vice-president, A. C. Ruttan; secretary-treasurer, C. Tilt; directors, E. W. Kneelands, S. P. Clarke, S. A. McGaw, W. H. McWilliams, D. D. Young and Donald Morrison; manager, F. O. Fowler; assistant manager, W. J. Dowler.

Eighteen thousand taels have been lying in the Security Trust vaults at St. Paul in the form of a draft on the Yokohoma Special Bank for the equivalent of \$12,750. The money is to buy stock to be shipped to China.

Editorial Comment

ADVOCATES THE NEW ARKANSAS BANKING LAW

In forwarding to this paper for publication his annual address at the Little Rock convention, George R. Wood, president of the Arkansas Bankers Association, apologizes for devoting so much of his time to the advocacy of a new banking law for his state. His state association has taken the same position that was taken by the Alabama Bankers Association prior to the passage of their admirable new law. The new law for Montana was pushed through by the state association, and all who have given attention to the matter will remember that the new banking laws in Minnesota, Wisconsin, Michigan, and Indiana, were secured in the same way. There has been a very deep awakening to the interests of the public as well as of the bankers on the subject of state supervision and regulation of all forms of banking. In Illinois, however, this new doctrine seems to have been pretty well submerged by a powerful element in the state association which has placed private profits above public good.

It was intended originally to hold this year's state convention of the Arkansas bankers at Eureka Springs, but following in the footsteps of their friends in Alabama, the executive council changed the place of meeting to Little Rock and the time of the convention to the time when the legislature is in session. This was done so that the convention might discuss a number of bills now pending, the chief one of course being the one giving to the state a new banking law. Among other things the bankers hope to have a few bills passed a little more tolerant towards corporations and railroads. These interests have been very much crippled, in some cases exterminated, by populist legislation in the past. Mr. Wood came out with a very positive declaration that the public is entitled to know the quality and amount of assets, and the nature and extent of the liabilities of any concern inviting and enjoying public confidence. This good doctrine he applies quite as strongly to banking as to any other form of semipublic business.

At the present time there are two bills pending in the Arkansas legislature,—the Deaton-Turner bill in the senate and the Warnack bill in the house. The former is the bill practically as it came from the banking law committee of the association, and the latter is largely a copy of the same. Up to date the opponents of these measures have succeeded in preventing the senate bill from even coming to a vote on first reading. In the lower house the bill has passed and is up to the senate where it is feared it will meet the same fate that thus far has met the Deaton-Turner bill. The bill which has passed the lower house has a guaranty clause attached which makes it unpopular with the bankers.

Mr. Wood in closing his admirable argu-

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

ment, which is printed in full elsewhere in this edition, defied anyone to present a single sound argument against the enactment of a good banking law for the state. In favor of a sound banking law he arrayed every man, woman, and child in Arkansas "except some who are engaged in banking." From this it would appear that they have in Arkansas as in other states some bankers who believe that they can make larger profits without state supervision and publicity than they can make with it and this probably is true. Mr. Wood's annual address is a very able document and should be read and studied by every banker in favor of putting banking business in an absolutely safe and responsible condition.

COST OF LIVING DECLINES

One of the unmistakable signs of the times is that the cost of living is declining. This fact is made clear by the depressed prices of grain, live stock and clothing. These are large items in the average family's expenses.

There is encouragement in this condition for all who have felt the burden of high prices in recent years. It is probably true that many laborers will be compelled to work at reduced wages in the next year and if this proves to be the case it will be fortunate indeed for them if they are able to buy the necessities of life more cheaply.

Experienced dealers in live stock declare that the price of pork and beef will be lower next year than at present and there has been something of a decline already. Large crops seem to be assured for the season now opening and if farmers produce corn next fall on anything like the scale of last year prices are sure to continue on a low level. All the indications are that the country will raise more wheat than it did last summer. This also is a guaranty of low prices for foodstuffs.

The mere statement of these facts does not argue that a majority of Americans will permanently gain from the lower rates on farm products. It is important to know, however, that if the railroads and mills are to pay lower wages in the next twelve months or more the working people will be able to get along about as well as they have in the past.

For the middle class in all cities the prospect of a drop in living expenses will be hailed as a blessing.

GROWTH OF BANKING IN CHICAGO

The advance of Chicago in banking and financial importance is shown in a clever table sent out by the Western Trust and Savings Bank, late last week. The tables cover the years from 1896 to the present time and to those who haven't been keeping up on such things will be rather startling. The effect of the big bank consolidations is shown accurately in a way one would have thought scarcely possible. In the fifteen progressive years under review deposits of the national banks of Chicago have increased from \$120,187,765 to \$452,642,062, a gain of 276 per cent. Still more striking has been the gain of the state banks, their deposits increasing from an aggregate of \$80,843,075 in 1896 to \$452,800,312 at the date of the call of the state auditor, March 8, 1911, a gain of 460 per cent.

In the number as well as in the size of resources the table shows interesting changes. Back in 1896 there were 25 national banks in the city. Of these four were liquidated and thirteen merged into other banks, and three changed their names. Of the original number the Calumet National, First National, First National Bank of Englewood, Fort Dearborn, and National Bank of the Republic continue to operate under unchanged names. The Corn Exchange National Bank in 1898 sprang from the Corn Exchange Bank. There are now fifteen national banks operating in the city. At various times since 1896 there have been forty. Fifteen years ago there were nineteen state and private banks doing business. Of these the following have continued business without change of name: Chicago City, Hibernian Banking, Illinois Trust, Merchants Loan and Trust, Northern Trust, State Bank of Chicago, Union Trust. Since then there have been organized fifty-one new state banks. Of the seventy, twenty-two have dropped out of existence through merger, liquidation, or change of name, and there are now forty-eight in active operation. The merger of greatest extent has been that resulting last summer in the Continental and Commercial National Bank. Directly absorbed by the old Continental National since 1896 have been the Globe, International, and National Bank of North America, and part of the deposits of the American Trust and Savings Bank. Chicago is to be the center of the Aldrich plan propaganda and is the center of 70 per cent of the strength of the American Bankers Association. If we are to have a "Central Bank" it most certainly will be located here.

INDICATION OF BUSINESS

The Carnegie Steel Company has notified all clerks who are able to do so, to take their vacations before July 1st. This is taken by many as an indication that the management of the steel corporation expects a resumption of activity during the summer months.

True to its Name—

The founders of the Northwestern National Bank exercised foresight in selecting its title.

The growth of this bank has been continuous and sturdy, and today the scope of its activity is "northwestern" in the full sense of the term.

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For Texas Trade

In the last six years The Chicago Association of Commerce has paid official visits through duly appointed delegations to every state in the union west of the Allegheny mountains, save one, and that is Texas. Four years ago, sixty people, representing twenty-six towns in Texas, visited Chicago and were the guests of The Chicago Association of Commerce, and on that occasion Chicago was invited to send a delegation on a return visit at an early date. The invitation was officially accepted and a promise given that a return visit would be made at the earliest possible moment. From year to year this visit has been postponed for various good and sufficient reasons, but the Trade Extension committee this year has decided to make the trip April 15th to May 1st.

Fifteen or twenty Chicago bankers will be in this excursion and some of them will be called on to speak. In many important details this tour will be unique. It will be distinctively a Texas trip, no stops will be made either going or coming outside of the state of Texas. The train will be made up of the finest equipment obtainable, and will run on a special schedule with a special crew and special service throughout. Each delegate will be given a special compartment, and compartment sleeping cars alone will be used. Instead of the usual dining car service, the delegation will carry its own crew and its own commissary, with a special lounging car where the delegates may hold meetings en route.

While the program for each city varies according to the local conditions and the individual attractions of each locality, the general scheme followed is that one-half of the business hours spent in each city are to be given over to business purposes, the delegation being left free as individuals to call upon the trade in their respective lines, while the balance of the time the delegation will be the guests of the local business

organization which will escort the visiting Chicagoans on a tour of inspection of the industries and other points of interest best calculated to show the resources of each community. Where time will permit of an evening visit banquets have been arranged and other forms of entertainments planned.

Business Manager Miller, reporting to the Trade Extension committee on his preparatory tour said:

"Governor Colquitt of Texas will join the delegation at Austin en route to San Antonio, where the governor is to be the guest of honor at the annual 'battle of flowers,' and the delegation has been invited to occupy the governor's reviewing stand as guests."

FOREIGN EXCHANGE MARKET

Discounts in London have tightened from 2 per cent a week ago to $2\frac{1}{4}$ and $2\frac{3}{8}$ for sixties and nineties, respectively, this week. In Germany money rates are easier, having declined from $3\frac{3}{8}$ to 3 per cent. In Paris conditions are unchanged at $2\frac{1}{4}$ per cent for both 60 and 90 days' sight bills. Sterling exchange is stronger, demand being quoted at $4.86\frac{1}{4}$; 60 days at $4.84\frac{1}{4}$; bankers' demand francs 5.20; 60 days $5.21\frac{7}{8}$; bankers' demand marks 95 1-16; 60 days 94 9-16.

NO DISCOURAGEMENT THERE

Samuel H. Lockin, cashier of First National Bank of Red Wing, Minn., was a visitor at First National of Chicago Tuesday. Mr. Lockin is in a position to know what the feeling is among Minnesota farmers and business men. He states that crop prospects have greatly improved since the recent fall of snow and rain. The acreage of flax will be enlarged and perhaps that of wheat also. There is no discouragement among the progressive people of the Northwest.

William J. Burns

Chief William J. Burns of the Burns National Detective Association left on Thursday night to address the Arkansas Bankers Association on American Bankers Association protective measures and policies. Burns is a good number on a state program being nearly as good a talker as he is a detective. He gives many valuable pointers and makes suggestions which avoid many troubles in the conduct of banks. He became nationally and world-wide famous as a thief catcher and his plan now is to tell bankers how to keep out rather than how to get out of trouble. His Little Rock talk was along these lines. Mr. Burns has been invited to visit Nashville at the time the executive council has its meeting.

GERMAN BANKER IN CITY

Curt Kaufmann, an official of Bank of Commerce and Discount, Berlin, is spending a week in Chicago. Mr. Kaufmann stated to a representative of THE CHICAGO BANKER that it is becoming more and more difficult for the German government to carry forward its policies owing to the strength of the united agrarians and clericals. There is a general demand for a lessening of the cost of living, and this is made to reflect on the government. Some moderation in tariff duties is called for. But regardless of politics business is good and the banks are on a sound basis.

DAKOTA BANKER IN TOWN

Frank E. Duba, cashier of the Belle Fourche State Bank, Belle Fourche, South Dakota, visited Chicago Monday.

P. M. Joice, formerly banker at Lake Mills, Iowa, is dead at St. Paul, 51 years of age.

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Vice-PresidentCHARLES G. FOX
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SecretaryANTHONY CZARNECKI
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ELBRIDGE HANEY
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WM. LORIMER, JR.
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INVESTMENT SECURITIES

Convention Dates

- SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.
- LOUISIANA—Baton Rouge, May 2 and 3; Secretary, L. O. Broussard, Abbeville.
- FLORIDA—Ocala, May 10 and 11; Secretary, Geo. R. DeSaussure, Jacksonville.
- MISSISSIPPI—Greenwood, May 10 and 11; Secretary, Richard Griffith, Vicksburg.
- TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.
- OKLAHOMA—Oklahoma City, May 22 and 23; Secretary, W. B. Harrison, Enid.
- MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.
- KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.
- TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.
- SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.
- GEORGIA—Tybee Island, Ga., June 8 and 9; Secretary, L. P. Hillyer, Macon.
- PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.
- CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.
- IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.
- VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.
- MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.
- MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.
- NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.
- NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.
- NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.
- OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.
- WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

Little Rock Convention

Little Rock, Arkansas, April 7.—The attendance at the twenty-first annual state convention of the Arkansas Bankers Association was the largest in the history of the organization. This partly is to be accounted for by the fact that the legislature is in session and that the bankers came from all over the state in hope of being able to induce the state legislature to give to the state an adequate banking law. The state banks of Arkansas, not being under supervision and inspection, cannot hope to become depository institutions of the new postal savings banks established by the government. The state has been handicapped for all of these twenty-one years in securing outside capital because of adverse banking conditions within the state.

The convention was held in the Hotel Marion, and proceedings opened promptly yesterday morning at 9 A. M. with the meeting of the executive council. This body made a hasty review of the two days arrangements and provided for having as many legislators attend the session as possible. At 10 o'clock the convention proper was called to order by President George R. Wood of Van Buren. The address of welcome was made by Judge E. A. McCulloch, Chief Justice of the Arkansas supreme court, and the responsive address was made by Carl Hollis of the Merchants & Planters at Warren. Both of the addresses were interesting and entertaining, and were followed immediately by the president's annual address which will be found printed elsewhere in this issue of THE CHICAGO BANKER. Treasurer F. M. Smith of De Queen read his report as did Secretary Robert E. Wait of Little Rock. For the executive council, report was made by A. D. Foster of Pine Bluff, vice-president of the association. H. L. Rummel, president of the Mercantile Trust Company of Little Rock, reported for the delegates to the Los Angeles convention of the American Bankers Association.

During the recess between the morning and afternoon sessions of Thursday, each of the seven groups of the state held short sessions. Each group selected its member of the nominating committee, and groups Nos. 3, 4, and 5 each elected a member of the executive council to serve until 1914. The results of these meetings were reported to the afternoon session of that day.

The afternoon session of the first day drew a large attendance. The principal address was by J. H. Johnson, president of the Peninsula Savings Bank of Detroit, Michigan. Mr. Johnson spoke on "A Savings Deposit and Its Responsibilities." Following his address there was a general discussion on "Bond Issues in Arkansas" led by J. F. Loughborough. Honorable Thomas C. McRae reported for the banking laws committee and the first day session concluded by giving attention to miscellaneous business. There was a session of the members of the American Bankers Association immediately after adjournment.

On Thursday morning at 9:30 A. M. there was an opening discussion on "Liability of Common Carriers on Bills of Lading." This was led by J. B. McDonough of Fort Smith and by W. B. Smith of Little Rock. The big event of the morning session was a discussion of the "Aldrich Plan" by the Honorable Robt. W. Bonyne, a member of the national monetary commission. This consumed all of the time before the noon recess and the convention adjourned until 2 P. M. The convention of Friday was given up to reports of the various committees and to a very interesting general discussion of pending legislation in the Arkansas legislature. This was followed by the annual election of officers and the installation of the new president.

The entertainment features were provided by the members of the Little Rock Clearing House Association. In order that the members might all enjoy the night at the theatre the banquet was postponed from Thursday evening and the guests of the city were given a choice of seeing "Madame Sherry" at the Capital Theatre or of participating in high class vaudeville at the Majestic. The annual banquet therefore came on Friday evening and was given at the Hotel Marion with J. N. Heiskell, editor of the Arkansas Gazette as toast master. This was one of the most enjoyable features of the entire program and the visit to Little Rock.

The controlling interest in the Commercial Bank of Watertown, S. D., has passed from the Union Investment Company of Minneapolis to South Dakotans. The bank becomes the head of an association of five banks with a capital of \$126,000 and resources of more than one million. Heavy stockholders are E. A. Syverson and L. W. Stoeckle of Bryant, the new president and vice-president, J. M. Knudson is to be cashier, and John Foley, assistant cashier.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

KANSAS CITY CHAPTER

George P. Reichel, assistant cashier of the First National Bank of Kansas City, addressed the Kansas City Chapter of the Institute of Banking last Wednesday evening, taking for his subject "Foreign Exchange." This was one of the winter series of weekly discussions which have been well attended by the members of the chapter which has a total enrollment of more than 600 employees of banks in Kansas City. Mr. Reichel said in part:

"Up to about ten years ago the bulk of the international exchange transactions were handled by private banking firms in New York, generally known as foreign bankers. Since then, however, foreign exchange departments have been installed in many national and state banks and trust companies in the larger cities and the greater part of the foreign business is now transacted direct between them and their foreign connections.

"The supply of foreign drafts consists of flour, grain, meat and cotton bills. All of these are generally drawn payable sixty days after sight, with bills of lading attached, to be surrendered upon payment of the drafts. If the draft is paid before maturity, which is usually the case, rebate is allowed on the unexpired period at 1 per cent below the Bank of England minimum discount rate. Against the credits created by the payment of these bills of lading drafts, the American banker issues his drafts, generally drawn payable upon demand, and sold to importers and foreigners. He also issues circular letters of credit to travelers.

"In late years the traveler's check has to a certain extent taken the place of the letter of credit, because of its simplicity and general negotiability with hotels and shop keepers, in addition to banks. The continental banker makes a profit on every exchange transaction. This profit is adjusted to the rate of exchange. Most American bankers doing a direct foreign exchange business find it necessary to carry an account in Holland, for the reason that a great many bills of exchange are offered them drawn on Amsterdam and Rotterdam. There is, however, no corresponding demand for bankers' checks on Holland. Checks on Great Britain and the continent are paid without identification being required from the holder. Checks on Great Britain, however, may be crossed, and then they become payable upon careful identification only. The laws of Europe are very severe in the punishment of forgeries and comparatively few attempts have been made to obtain payment of drafts bearing forged indorsements.

PITTSBURGH CHAPTER

In a lecture on the Canadian Banking System before the Pittsburgh Chapter, American Institute of Banking, Tuesday evening, March 28th, Dr. H. W. Temple said that the Canadian system seems to have solved the problem of an elastic currency. Comparing it with our system he said that it was the result of a growth rather than of law such as ours. Although the system seems to work satisfactorily in Canada, we could hardly transplant the entire system to our own with good results. Business conditions being similar to those of our own country we could afford to study this

system in view of pending legislation as recommended by the monetary commission. The prompt redemption of the bank notes and unity of control over the entire system which prevents over expansion of issues without a complex system of laws gives them a currency that is almost ideal for their needs.

W. M. Rosendale, assistant cashier of the Market and Fulton National Bank followed Dr. Temple with a talk on "Call Loans." This talk coming from one whose daily duties are in the midst of our great financial center was a practical one and following so closely on the talk by Dr. Huebner on the "New York Weekly Bank Statement" added actual practice to the theory.

HOME FOR NEW YORK CHAPTER

Plans for a permanent home for the New York Chapter of the American Institute of Banking are now well matured. They contemplate the leasing of a room in a modern office building, large enough to seat at least two hundred men, with an office and library adjoining. Substantial assistance has been assured the chapter for such an enlarged work, provided a program of education can be arranged that will make the venture worth while. In compliance with this proviso, it is now planned to run lectures at least four and possibly five nights a week. The work is to be under the direction of an enlarged educational committee, subdivided into sections, acting in an advisory capacity, with a paid secretary.

The educational scheme comprises a course of thirty lectures on practical banking, covering every department, and intended primarily for the juniors; a course of thirty lectures on English and correspondence, including grammar, composition and public speaking; two courses in banking law, covering bills and notes, negotiable instruments, stocks and bonds, pledges, contracts, national and state banking law, etc.; and fifteen lectures on subjects of interest to savings banks and trust companies.

LOUISVILLE CHAPTER

A feature of the last meeting of the Louisville (Ky.) Chapter of the American Institute of Banking was a paper read by Samuel W. Wilhite, City Comptroller of Louisville, on the subject of "Budget Making, Public Revenue, Public Credit and Public Expenditures." The paper was unusually interesting, analyzing methods of providing for the fiscal needs of a municipality. Mr. Wilhite urged that the fiscal calendar years should be the same, as this would eliminate to a large extent the necessity of borrowing money to tide the city over the "barren period" between the two dates.

FIGHTS TWO CENT FARE

The Pennsylvania Railroad Company and the Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company seek to have the act of April 5, 1907, by which railroads in Pennsylvania are required to charge only two cents a mile for transportation, declared unconstitutional and void, by bills in equity which have been filed in common pleas court against Allegheny county.

W. S. WEBB ON SAVINGS

One of the most interesting of the winter's series of addresses to the Kansas City chapter, American Institute of Banking, was that of Will S. Webb, cashier of the Missouri Savings Bank, March 16th. Mr. Webb discussed savings institutions and began by telling the bank clerks that a woman, Miss Pricilia Wakefield, was the founder of the first savings bank among English speaking people.

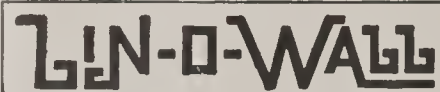
"There has been a great deal written to prove where and when savings banks originated," said Mr. Webb. "A French writer has asserted that the idea originated with Hugh Delestra in 1610; an Austrian author has insisted that the first savings bank was founded in Brunswick in 1765, in Berne in 1787 and in other cities of the continent on different dates. No one can go far in his investigation of savings and their origin until he is brought face to face with the somewhat startling fact—there was a woman at the bottom of it."

"We find women to-day who have risen to be the actual heads of banks; but their work has been compared to the efforts of Miss Pricilia Wakefield, who blazed the way for all women—and men, too—in starting the first English savings bank. This remarkable woman lived in the parish of Tottenham, Middlesex county, England. She founded her bank in 1789."

Tracing the growth of the savings bank idea, Mr. Webb deplored the fact that there were so few savings banks in Missouri. "The lack of savings bank in Missouri is not due to the absence of thrift," said Mr. Webb. "Nor is it because of lack of industry among its people. We must look to the laws of the state to find the reason for lack of means to foster savings in Missouri. In the early '90s our lawmakers attempted to make model laws, but they too much resembled the man who was teaching his horse to live without eating—the horse died. Few banks can exist under the presents laws, and no one would be foolish enough to invest in bank stock, for there is no chance of profit, as you will see from the following section of our laws: From section 1447 in the revised statutes we find the following to be the exact words: 'It shall be unlawful for any such corporation to loan money upon, or to discount, or deal in notes, bills of exchange, or other personal securities, or to transact any banking business, whether of issue, deposit or discount. The board of directors may, however, make loans to depositors on their pass books to the amount of 50 per cent of said deposit.'

"Another section provides that no depositor shall be allowed to deposit more than \$4,000. Another that a certain per cent shall be set aside for a guarantee and indemnity fund, which is commendable, but it provides that the stockholders shall receive only 6 per cent per annum on their stock and that all above that shall be divided among the depositors, whose pass books must be called in every three years, when the distribution is made. No sane investor will put his money in bank stock where he knows he can make only 6 per cent per annum, and with such restrictions as I have named would probably eliminate all profits and make his stock a liability instead of a profit."

Canada is trying to exclude negro immigrants from the United States.



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Bank Reception

Fully 10,000 persons visited the new home of Fort Dearborn National Bank, at the Northeast corner of Monroe and Clark streets, on Monday. The reception lasted from morning till night and had the appearance of a brilliant festival. Floral decorations were profuse, many large and beautiful collections of roses and carnations having been sent in by friends of the officers. The lighting of the bank has been greatly improved, so that the scene was one of brightness and cheerfulness.

While thousands paid their respects in person and made the occasion largely social, hundreds of out-of-town friends were heard from by telegraph and letter. All of the officers were kept busy greeting those who called to extend congratulations. Among the visitors were scores of other bankers, who showed keen interest and pleasure in viewing the spacious and artistic rooms. The social features of the day were augmented by the presence of many ladies, patrons of the bank or friends of the officials.

Plans for handling the regular business of the bank had been carefully worked out and customers received prompt attention. The additional room and general improvement of the bank's facilities were appreciated and drew out an unlimited amount of favorable comment.

Fort Dearborn National and its auxiliaries, the savings and trust departments, now have ample room to grow and are housed in one of the greatest and most beautiful of Chicago's modern buildings, in the exact center of the loop district. The five banking floors have a total of 38,857 square feet. The main banking floor has 9,663 feet. Only a few financial institutions in the United States have such advantages, but Fort Dearborn National's steady and rapid growth amply justifies the enterprise of its owners in securing these magnificent new banking quarters.

Among the banks whose cards appeared on the floral gifts were:

Corn Exchange National Bank, Hibernian Banking Association, First National Bank, Merchants' Loan & Trust Company, National City Bank and Continental & Commercial National Bank, and Woodlawn Trust & Savings Bank of Chicago; Irving National Exchange

Bank, New York, and the Third National, the Manchester, the Mechanics' American National, the Mississippi Valley Trust Company, and the Central National Banks of St. Louis.

Among the individual remembrances were flowers from the following:

George M. Reynolds, Edward F. Swift, Carl H. Steere, New York; Kennedy Furniture Company, A. G. Becker, Herman Waldeck, Clark & Trainer, Edward O. Rice, L. Lurya Lumber Company, Mr. and Mrs. John Cort, Oscar E. Binner, Charles P. Gifford, J. Jaffe, John Jay Abbott, H. B. Lusch, C. S. Castle, Adolph Borie Babcock, Adolph Kurz, Levin & Warshawsky, Adams, Bobb & Adams, J. E. Ingram, John T. Muir, John J. Arnold and E. E. Crabtree, Jacksonville, Ill.

"We are under great obligations to our friends for their many expressions of good will," said President W. A. Tilden. "As for the new trust department, its first day's business was most gratifying, and it gives great promise of being a very successful branch of our business."

The Fort Dearborn National Bank was organized in April, 1887, with a capital of \$500,000, which in 1905 was increased to \$1,000,000 and later to \$1,500,000. The board of directors has now taken steps to increase it to \$2,000,000.

It was the rapid growth of business in the last few years that necessitated the present larger quarters, the deposits having increased from \$9,887,954 in 1908, to \$21,574,536 on March 7th last.

The officers of the Fort Dearborn National are: William A. Tilden, president; Nelson N. Lampert, vice-president; J. Fletcher Farrell, vice-president, and Henry R. Kent, cashier.

The officers of the trust company are the same, with the exception that John E. Shea is cashier.

A contract has been let to a Rhinelander, Wisconsin, firm for erecting a new building to be occupied by the First National Bank of that city. The cost of the new structure is to be about \$40,000. An old building now occupies the site which will be torn down at once.

UNIQUE OPPORTUNITY. I need \$8,000 to complete purchase of safe, successful Illinois enterprise. 8% returns sure first year; 12% to 16% by third year. Marketable assets more than double present invested capital (\$35,000). Best location in state. Must enlarge plant to meet demands. \$8,000 purchases one-third interest. Investments of \$1,000 and up only considered. R. H. FERRIS, Gen. Mgr., 169 Commonwealth Avenue, Detroit, Mich.

Harris Trust

The magnificent new Harris Trust building is three-quarters rented already. The demand is remarkable. The finish of the interior of the Harris building is well advanced and ample provision is being made for taking care of everybody in a first-class manner. The occupancy of the building is devoted chiefly to bankers, bond dealers, insurance and large industrial interests, including the Harris Trust and Savings Bank and F. R. McMullen, and the following bond dealers: John P. Welling, Ruggles and Company, Ames and Emerich Company, Compton and Company, Seney, Rogers and Company, F. C. Rutan and Thompson and Poole. The representatives of the legal profession moving in includes: Harris F. Williams, Strong and Meacham, William Bither, William H. Utt, Thaddeus O. Bunch, Trumann H. Miner, Henry Hutmann, A. D. Schaffner, John A. McKeown, Ingram, Hallen and Masson, Grollman and Weinberg, J. W. Drouillard, Montgomery, Hart and Smith, Charles B. Haffenberg, Fyffe and Adcock, Atlas Adjustment Company, and the following commercial paper dealers: E. Naumberg, W. B. McKeand, Weil, Farrell and Company Bayne, Ring and Company, and the following insurance companies and agents: A. D. Langworthy, C. W. Greene, Enger and Barnett, Lansing B. Warner, Massachusetts Mutual Life Insurance Company, Provident Life Insurance Company, Aetna Life Insurance Company, H. Dalmar and Company, and the following: Rufus C. Dawes, S. D. Stevenson, copper; Godso and Banghart, advertising; Cudahy Refining Company, Cudahy Packing Company, Haskins and Sells, Raymond Concrete Pile Company, D. C. and W. B. Jackson, William Hoskins, Audit Company of Illinois; Underfeed Stoker Company, American Colortype Company, A. S. Rosing, United Food Products Company, and the German-American Car Company.

John J. Arnold, manager of the foreign exchange department of First National, will give a talk on "Foreign Banking Facilities" before the foreign trades division of Chicago Association of Commerce next Tuesday evening. There will be a general discussion of the subject after Mr. Arnold's address.



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Aldrich Plan

The currency commission of the American Bankers Association, which met in Washington last week, reached a harmonious conclusion in its recommendations on the Aldrich draft of the proposed new currency law, made to the full monetary commission. No doubt is expressed that the monetary commission will itself agree with the bankers and Mr. Aldrich and that then will begin a campaign of education looking toward non-partisan legislation.

George M. Reynolds, president of the Continental and Commercial National Bank, and one of the members of the currency committee of the American Bankers Association, speaking of results accomplished, said:

"At the meeting of the full currency committee, agreement was harmoniously reached upon recommendations previously made by the bankers who had been called East for a conference some time ago by Mr. Aldrich. We all went into the meeting of the monetary commission and submitted our recommendations.

"It will probably prove of considerable help to the commission if the bankers are agreed in their views. We made little change in the recommendations as previously drawn up.

"It is not possible to speak for the monetary commission, but from the manner in which the conferences were conducted and the talks made, it was apparent that the members of the commission in attendance were about as thoroughly agreed upon the wisdom of the Aldrich draft of the proposed law as were the bankers.

"It looks, therefore, as if the country as a whole will find the bankers and the monetary commission in harmony. So far as I can learn, there is no dissent anywhere from the general plan.

"We did make one important new recommendation, and that was that the president or governor of the reserve association be elected by the forty-five directors of the association themselves. The draft of the law, as originally made, provided that the president should appoint the governor from a list of names presented to him by the forty-five directors of the association. The power to appoint carried with it the power to remove, and, effectually to separate in every way the banking system from politics, it was proposed that the directors select the governor and the two deputy governors.

"Mr. Aldrich readily agreed to this change. The two deputy governors are to serve for a period of seven years. The term of office of the governor or president is not limited. He will serve during good behavior or at the pleasure of a majority of the forty-five members of the board of directors.

"But, taken as a whole, the changes made in the Aldrich draft, while important, have not been fundamental, and it shows how thor-

oughly Mr. Aldrich has gone into the question.

"He insisted at the meetings in Washington that neither party should make the findings of the monetary commission a part of its political platform. He did not want the Republican, his own party, to do so, nor the Democratic. He said it was a business proposition which he wished congress to act upon without any restraint occasioned by political obligations.

It is understood that an organization known as the affiliated boards of trade, will undertake to explain the provisions of the proposed new law, and enlist the support of trade organizations throughout the country.

It is expected that the headquarters of the organization will be in Chicago. H. A. Wheeler, president of the Association of Commerce, and F. W. Upham, are to be made two directors and will use their influence at this center.

EDWARD C. REYNOLDS HERE

Edward C. Reynolds, a director of Union Savings Bank & Trust Company of Portland, Maine, visited Chicago last week. Mr. Reynolds, who is one of the leading lawyers of Portland, was on his way to Minneapolis to make the regular quarterly audit of the finances of the supreme lodge, Knights of Pythias, as he is chairman of the finance committee.

ILLINOIS CENTRAL PENSIONS

Illinois Central has paid out \$1,000,000 in pensions in the last ten years.

Indiana

J. G. B. Short is reported vice-president of the new Hillsboro State Bank.

The Bank of Attica has been absorbed by the Farmers and Merchants State Bank.

At a recent meeting of the directors of the Bank of Idaville, Milton Timmons was elected cashier of the institution, to succeed J. M. Townsley, who resigns.

At a meeting of the stockholders of the new Hillsboro State Bank, the following officers were elected: John J. Williams, president; John W. Frazier, cashier; and Isaac Hamilton, assistant cashier. The capital stock is \$25,000.

The Studebaker Bank of Bluffton is one of the largest state banks in Indiana and it is safe to say that there is no other city or town in the state the size of Bluffton, which has a bank as large as the Studebaker Bank. Its deposits of \$933,793.41 speak well for the prosperity of Wells county.

The Wells Act passed by the last legislature, exempting gravel road bonds from taxation, has aroused considerable discussion among brokers, as it promises to have a marked effect on the municipal bond market. They say that the effect of the law will naturally be to increase the demand for the gravel road bonds, but it will also weaken the market for straight municipals. There is also a question as to whether the law is constitutional.

Following a general call, issued by the comptroller of the currency for a report from all national banks at the close of business March 7th, the banking department of the state auditor's office called for the reports from all state and private banks in Indiana. The call of the state auditor was sent to 293 state banks and 200 private banks and the call of the comptroller of the currency affects 261 national banks in Indiana.

Presidents of Indianapolis trust companies are practically of one mind in regard to the outlook for the local financial market and general business conditions during the coming months. In reviewing the business of the year of 1910 and in attempting to predict the result on conditions during the coming months of 1911, the heads of different financial institutions say that indications point to a prosperous year. In the amount of money on hand and in the number of savings accounts opened, local bankers believe they see an era of prosperity predicted. Much depends upon confidence and upon the volume of savings accounts opened by wage earners and those who, though receiving small salaries, save enough to have money to their credit in the local financial institutions.

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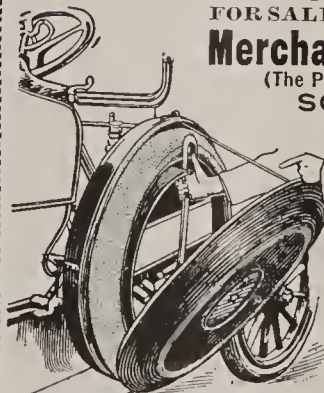
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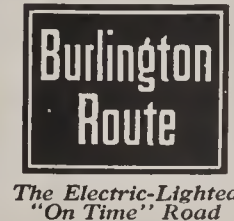
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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

The advice given by James J. Hill to the working classes urging them to live within their means, is bearing fruit and its influence is already tightening the purse strings of Minneapolis workers, according to Minneapolis bankers, who say that savings accounts in local banks for the last three months are above the average in number for years.

With the banking accounts of the working population soaring skyward and the general tone of business as satisfactory as it ever has been, there seems to be little ground for thinking that Minneapolis is affected by depressed conditions said to exist in other parts of the country or that it has an unusual number of unemployed, business men think.

"We have more working men with accounts at the present time than we ever had before," said Irwin A. Yarnell, secretary of the State Institute for Savings. This may be explained in part, Mr. Yarnell thinks, by the fact that the cost of living is somewhat lower than last year, but his opinion is that it is due mostly to the working men's following the advice of the great railroad magnate and to satisfactory business conditions in the city.

Workers are Saving

William F. Olson of the Union State Bank, is positive that Minneapolis workers are saving more this year than they have saved at any other time. Mr. Olson bases his opinion on his observance of general conditions prevailing in the city, and the increase in the number of savings accounts in the Union State Bank. "Never before," he said, "have the working classes shown greater tendency to economize, and the result is an increase in savings accounts. People who never thought of putting money in banks before have substantial accounts now."

In one bank savings accounts have increased by 960 since January 1st, as compared with the corresponding period of 1910. Another bank says the number of its safety deposits during the last half of 1910 increased by 1,500 over the same period in the preceding year. N. F. Haw-

ley of the Farmers' and Mechanics' Bank also says that Mr. Hill's advice has made a hit with the working community of Minneapolis.

Began at Foot of Ladder

Two bank officers report their first money obtained as follows:

"I was 17 years old when I began to earn money," said John W. Lusk, president of the German-American National Bank. "For three long summers I sat on the seat of a reaper down on a farm in Sauk county, Wisconsin. I drove four horses and felt real proud. Most of my pay went for board. Each night I studied law until, from slicer exhaustion, I was forced to lie down."

Kenneth Clark, president of the Merchants National Bank, came to St. Paul from New York state. He went to work in the law office of W. B. Warner.

"I used to dust off the books and look up matters for my employer," said Mr. Clark. "Between working times I had plenty of opportunity to study law. All I received for my labors was my board which, I believe, constituted money earned."

General Banking News

Comparative quarterly statement of the state superintendent in Minnesota shows 26 state banks in Hennepin county with deposits of \$8,682,963, and 10 in Ramsay county with \$2,517,724 deposits.

On certificates of deposit the Ramsey banks have \$450,422 and Hennepin banks \$1,660,418, a ratio similar to the check amounts. The combined total demand, cashiers and certified checks in the Ramsey banks was \$132,904.41, while the Hennepin institutions had an aggregate total of \$159,256.58.

Three New Ulm banks will entertain in June the Second Group meeting of Minnesota bankers. The membership is 125. Kelsey S. Chase, state bank examiner, is to deliver an address.

The First State of Federal Dam, Minn., has

been incorporated, \$10,000 capital. H. D. Reed of Crookston is president and H. K. Zeiser is cashier.

George F. Orde, vice-president of the Minneapolis First National, has taken passage on the Empress of Great Britain, sailing in May from Quebec.

J. W. Lusk, president of the National German American, back from a month in the South, says the good farming idea is taking hold in the South as well as the North. Cotton ranging higher than in years has helped greatly and the outlook is for continued progress.

M. C. Tift, president of the People's Bank, Long Prairie, Minn., has entered the real estate, loan and insurance business in Minneapolis as Tift & Donaghue.

C. H. Miller and H. L. Brandt of St. Ansgar, Iowa, have organized the State Bank at Okaton, S. D., with \$15,000 capital. Officers are: President, C. H. Miller; vice-presidents, Thomas Hughes, S. P. Brown; cashier, H. L. Brandt.

J. M. Williams, C. F. Swarthout and F. F. Swarthout have incorporated the State Bank of Pettibone, N. D., \$10,000 capital.

The German State Bank of Mott, N. D., capital \$27,000, is the result of consolidation of the German State and the Farmers State. Officers are: President, Emil Movius; vice-president, J. L. Opfer; cashier, R. E. McCain.

E. J. Bowman, Marcus Daly Loan & Trust Bank of Anaconda, Mont., says that his city, in proportion to population, has more money on deposit in banks than any city west of the Mississippi river. The Western need, says Mr. Bowman, is men to cultivate the soil and aid development.

W. F. Graves, manager of the Middlesex Banking Company, St. Paul, thirty years, is dead.

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Pittsburgh

The United States Coal Exchange, which is to be the selling agency of the principal bituminous coal corporations in this section of the country, was formed at largely attended meeting of coal men. Twenty companies with a capital of something like \$500,000,000 were represented and will be parties to the new agency, which will be formally organized at another meeting to be held April 12th. The temporary chairman of the new agency, which starts with preliminary capital of \$500,000, is G. J. Gams of Uniontown, Pa., one of the well known men of that section and long identified with coal and coke interests. The attorneys are Chester Kaufman of Pittsburgh, A. L. Pearson of Pittsburgh and L. B. Brownfield of Uniontown. At the meeting two weeks hence permanent organization will be effected with the election of twenty-five directors and officers and the agency will then take over the selling of the product of most of the companies in Pennsylvania, Ohio, West Virginia and Kentucky.

At a special meeting of the stockholders of the Manufacturers' Light and Heat Company the proposition to issue \$8,500,000 bonds for the purpose of retiring all outstanding bonds, liquidate all floating indebtedness, besides providing working capital, was defeated by a vote of 32,299 for and 329,629 against. A resolution, however, was adopted, authorizing the appointment of a committee with instructions to confer with the board of directors and prepare another proposition that will meet with the approval of the stockholders.

An order was placed with the Pressed Steel Car Company Thursday by Birmingham and Garfield of Salt Lake City for 120 all-steel ore carrying cars. The cars are to be the largest that have been built by the company being of 120,000 pounds capacity and are to be shipped as quickly as possible.

The Mellon National Bank has declared a stock dividend of 50 per cent. By its last statement, the capital stock was \$4,000,000 and surplus \$3,300,000. The dividend is declared from the surplus fund, making the present capital \$6,000,000 and leaving \$1,300,000 in the surplus.

The Pittsburgh Life and Trust Company has sold the Washington Life building at 141 Broadway, New York, at a price that is highly gratifying to the officials of the company. The selling of this property for about four and a half millions removes a burden from the company that was assumed when the Washington Life was taken over.

From a dividend paying standpoint the importance of this sale is indicated by the fact that the increase in interest income on that portion of the company's assets invested in this building, will approximate \$45,000.

The directors of Union Trust Company of Pittsburgh declared a dividend for the quarter of 25 per cent. This is an increase of 10 per

cent over the quarterly rate that this institution has maintained for some years past and places the stock of the Union Trust Company on a basis of 106 per cent, including the extra Christmas dividend of 6 per cent always paid by the Union Trust Company at the holiday period. The officers and directors of this company are being highly congratulated on the wonderful showing, the capital and surplus now being in excess of \$29,000,000.

The Jones and Laughlin Steel Company will extend its operations in the manufacture of wire. A contract has been let for a new mill which will be ready for service by July 1st. It will make Jones and Laughlin one of the foremost producers of wire and wire rods in the country. With this mill in operation the company will have a capacity for an annual output of 200,000 tons of wire rods.

GROUP MEETINGS

Group meetings of the Minnesota State Bankers Association are arranged as follows: First district, Hastings, May 16th, Kelsey Chase, president of the group and state superintendent of banking presiding; second, New Ulm, June 7th, John S. Tolversen, president of the First National Bank of Fulda, presiding; third, Winona, June 5th or 6th, E. E. Shepard, assistant cashier of the Deposit Bank of Winona, presiding.

The fourth and fifth district groups comprise the Twin City Bankers Club, which will hold the equivalent of a group meeting. A banquet will be given in the St. Paul Hotel.

BOYS NEED MORE WORK

C. T. Jaffray, of First National, Minneapolis, declares that boys do not have sufficient work.

"The boys of to-day are different from those of my day because their parents are different," said Mr. Jaffray. "If the parents wouldn't indulge them so much they would be more earnest, ambitious, responsible and efficient. Work is the boys' salvation. The trouble is that they don't get enough of it these days."

APPEL VISITS SOUTHWEST

Vice-President J. M. Appel of LaSalle Street National has been through Kansas, Oklahoma and Texas, since the middle of last month, going as far as Dallas. He found the wheat crop in a promising condition and planters about ready to put in a largely increased cotton acreage. There is a good feeling all through the Southwest over the business outlook.

Burglars entered the residence of John G. Rexford, president of the First National Bank of Janesville recently and secured valuable diamonds and jewelry.

THE HANCHETT BOND CO., Inc.

L. A. TROWBRIDGE, President WM. F. HANCHETT, Vice-President

CITY SCHOOL COUNTY DRAINAGE BONDS

171 LA SALLE ST. Telephone Central 4534 CHICAGO

Philadelphia

President Charles S. Calwell of the Corn Exchange National Bank, announces that the bank has bought the two adjoining properties Nos. 123 and 125 Chestnut Street from George H. McFadden and will use them for an enlargement of the institution. Work will be started early next year. This is the third time in twelve years that the bank building has been enlarged.

Philadelphia is being offered funds freely by New York with maturities running into July at 3½ per cent, and this has given rise to reports of an impending reduction in rates here, but officials of both banks and trust companies declared no such step was contemplated, all asserting they had not loaned a dollar under 4 per cent and added that no loans had been paid off. Some went further that this by stating they were either below or a shade above their 25 per cent requirement in reserves.

Jobbers and wholesale houses report orders coming in, but complain of their size. Manufacturers of cloaks and suits are fairly busy, but merchandise moves slowly and the return of goods is not infrequent. Manufacturers of shirtwaists are doing a fair trade. Woolen jobbers report trade up to the average, with an active demand for duplicates. Collections are fair and prices firm for the better grade of goods. Clothing manufacturers report conditions for the spring unfavorable, owing in part to the weather. Buyers are scarce and demand small for all grades of goods, with lower prices.

John O. Sheatz, former state treasurer, is to be president of the new 52d Street Bank, a state institution now in process of organization. Mr. Sheatz succeeded Thomas F. Barrett as chairman of the organization committee. This step was taken at Mr. Barrett's request.

The new Farmers Trust & Mortgage Co. of Johnstown, opened with a reception lasting all day in its handsome marble building adjoining the city hall on Main Street. The new building is one of the handsomest in the city, and is complete in every detail.

The Farmers' Trust and Mortgage Company was incorporated in 1910 with a capital stock of \$200,000. The board of directors is composed of some of the most successful farmers, professional men, contractors, bankers, and business men of Cambria and Somerset counties, under the following management: P. J. Blough, of Hooversville, president; George Wild, of Johnstown, vice-president and manager of mortgage department; J. F. Dietz, vice-president and solicitor; E. M. Blough, of Hooversville, treasurer, and G. M. Walker, of Berlin, assistant treasurer.

William T. Kemper, president of the Commerce Trust Company of Kansas City, is at his desk again after several days' illness.

F. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, April 5.—The last week has seen a revival of interest in investment and banking circles in the city. The bankers are gratified with the gradual increase in deposits and the recovery of the collections. The prospects of the North Coast and Milwaukee Railroad companies starting their \$6,000,000 to \$8,000,000 worth of construction work, has given renewed interest to the small as well as the large investor of the local investment field.

The North Coast Railroad Company has recently let contracts for several hundred thousand dollars for ties alone and indications are that the construction work within the city limits will be rushed forward this spring. That the Milwaukee Railroad Company is anxious to begin its work is assured in the recent statements of the officials of the road and the fact that the last financial statement of the company showed that the Pacific division of the road paid a higher net profit for its year of operation than any other division of the road. The fact that the Pacific division has been in actual operation not more than a year, is taken as the reason for the road wanting to get its western construction under way. Spokane is expected to be a heavy traffic point and will lend a large proportion to the Pacific division business.

Will Entertain Vanderlip

In anticipation of the coming of Frank A. Vanderlip, president of the National City Bank of New York, the Spokane Clearing House Association is making arrangements to entertain the distinguished financier with a banquet and diversified program. It is expected that Mr. Vanderlip will arrive in the city April 8th or 10th although the exact date has not been named. Mr. Vanderlip is touring the country on an annual inspection trip, and is accompanied by William E. Kierman of Spokane.

Owns Old Book

W. D. Vincent, cashier of the Old National Bank, has recently purchased a book printed in 1577 and once the property of the Duchess of Northumberland, and in her private library. The book is especially valuable in that it has marks of the book worm microbe, which has scalloped the margins of the pages in such a way as to make them appear as if they had been worked upon by expert lace makers. Mr. Vincent is something of a bibliophile and has a small library of rare volumes. The one printed in 1577 however, is the most antique of anything he has acquired.

New Bank at White Salmon

Gillett State Bank has been organized at White Salmon, Wash., with a capital stock of \$25,000, taking over the assets of Gillett Brothers and Company's private bank. C. L. Colburn is first vice-president of the new institution and will remain at the head of the bank. George Reed is cashier. The directors elected are: T. Z. Gillett, S. C. Ziegler, G. A. Read, C. H. Pearson, C. L. Colburn, R. Lauterbach and O. P. Kreps.

Becomes Cashier

At the annual meeting of directors of the Bank of Orofino, Alex P. Ramstedt, for many years county auditor of Latah county, was elected to the position of cashier to succeed William J. White, resigned. The bank was organized about a year ago and is headed by T. H. Humbird, the St. Paul timber magnate. Jerome J. Day is vice-president of the institution and other prominent men are identified with its management.

New Concern at Lacrosse

Papers have been filed with the secretary of state at Olympia incorporating the First State Bank of Lacrosse, Wash. The new concern takes over the private bank of Scriber, Lyons and Moore. The capital stock, \$25,000, has all been subscribed for by the business men and farmers of Lacrosse and officers of the Colfax National Bank at Colfax.

Bank Remodels Home

The Union Trust and Savings Company has completed the alterations of the basement of its new home at the corner of Wall Street and Riverside Avenue. The building was formerly

occupied by the Old National Bank, but was sold to the Union Trust and Savings Bank, when they removed to their new fourteen story building. A new entrance has been constructed to the safety deposit vault. At the entrance leading to the basement are two large granite lions which add greatly to its appearance. The interior is entirely of marble, and is furnished with mahogany. At the right as one enters the building is a comfortable seat for visitors, and at the left is the hallway leading to the vault to be used for the storage of more bulky articles that cannot be placed in the small deposit boxes. This vault is accessible both from the interior of the bank, and by an elevator through the sidewalk which will be used to convey trunks and boxes. Within the iron cage that leads to the big vault are desks where the representatives of the Spokane clearing house meet every day to transact their business. Another feature of the alterations which greatly adds to the convenience of the patrons is a small room where they can hold private consultations. In a short time they will begin alterations in the main banking room. These alterations will consist of a new white art glass dome skylight and an entire new arrangement of offices. The decorative scheme also will be changed.

The Benton County National Bank of Prosser, Wash., has moved into its new quarters in the Finn building at that place. The fixtures of the building are of the latest design and are of quarter-sawed oak, with a base in the vestibule of marble, which gives the room a very rich appearance. The bank was the third institution in Prosser, and has made very rapid strides since its organization.

New Idaho Bank

The State Bank of Plummer, Idaho, will be organized as soon as the papers arrive from Boise, and will begin business immediately. The incorporators are, E. T. Coman, L. F. Conolly, and C. M. Kraemer.

THE 1911 WASHINGTON CONVENTION

A meeting of the executive council of the Washington Bankers Association will be held shortly to decide upon the place and time for this year's convention. A very cordial invitation has been received from the associated bankers of Wenatchee, heartily concurred in by the Wenatchee Commercial Club, and the North Central Washington Bankers League, to hold the 1911 convention in Wenatchee, some time during the month of September, when the fruit crop is being harvested and the Wenatchee Valley is at its best.

TELLS OF PROSPERITY

J. M. Rose of Farmers and Merchants Bank, Benton Harbor, Mich., was a caller at Fort Dearborn National recently. He stated that the fruit crop around Benton Harbor has bright prospects and as a consequence there is a general feeling of prosperity in that section.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

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The Hour Glass told us of the passing time.

TO-DAY IT'S

THE "NATIONAL" CALENDAR

*Hour
Glass*



*A Relic
of the
Olden Days*

ANY merchant who fails to investigate the merits of our calendars, is neglecting a valuable opportunity to take advantage of one of the best advertising media ever offered. Beautifully hand colored and saves you 30 per cent.

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POST CARDS
TOO**

NATIONAL COLORTYPE CO.
CINCINNATI . . . OHIO



For Colorado

Drawing-room sleeping cars, buffet-library-observation car, free reclining chair cars, mission style dining car—equipment of latest construction and electric lighted throughout. Provides barber, valet to press garments, library of current fiction, magazines, daily newspapers of cities en route, telegraphic news bulletins and stock market reports.

Leaves Chicago Daily From

La Salle Station 9:30 A. M.

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(Convenient to South Side Residence District)

Arrives Colorado points next day at noon.

Only One Night En Route

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City Ticket Office
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**Rock
Island**

Boost for Valdez

O. P. Hubbard, a lawyer residing at Valdez, Alaska, has been spending several days in Chicago seeking information relative to the organization of a trust and surety company at Valdez.

Mr. Hubbard stated in a conversation with W. G. Edens of Central Trust Company of Illinois, that the population of Valdez at the present time is about 2,500. The town is located 1,300 miles from Seattle. Ocean steamers are now plying between these two points, making the trip in about four days. While the winter seasons are long and there is a heavy snowfall, yet Mr. Hubbard says the climate is not objectionable and no more severe than many of the localities of the lake region here.

Valdez will have a large increase in population between now and the first of September owing to the discovery of free milling gold quartz there. Mining people of experience regard it as one of the greatest gold strikes of recent years. Mines are being opened on all sides of Valdez Bay and for a distance of eighty miles to the interior along the wagon road to Fairbanks. The principal mines developed to the present time are on Mineral Creek, a stream which flows into Valdez Bay from the north.

Mr. Hubbard is a native of Indiana and was private secretary to Attorney-General W. H. Miller in the cabinet of Benjamin Harrison. He is a man of broad legal and business experience, has spent some twelve years in Alaska, and talks most interestingly and forcefully of the legislative and commercial needs of Alaska. He says the present entanglement resulting from the disputed coal situation, in

which few of the Alaska people are interested in a personal or financial way, is retarding the growth and development of the territory and is most unfortunate to every interest except the mining of gold. The coal is much needed in Alaska for domestic, mining, and transportation purposes; and the Alaska people are great sufferers from a contest in which they are not participants and for which they are in no way responsible. While this unfortunate contest is being waged between the government and non-residents, the people of Alaska are required to pay exorbitant prices for foreign coal.

Seattle

State bank examiner J. L. Mohundro has issued a charter to the Gillet State Bank of White Salmon, Wash. The bank is capitalized at \$25,000. The incorporators are, T. Z. Gillet, S. C. Ziegler, A. L. Lauterbach, G. A. Read, A. D. Kreps, O. H. Pearson, C. L. Colburn. The officers are: T. Z. Gillet, president; C. L. Colburn, vice-president; C. L. Ziegler, second vice-president; G. A. Read, cashier. Mr. Ziegler formerly conducted a private bank at White Salmon.

Charles L. Schaeffer, for seven years a teller in the Seattle National Bank, has been made paying and receiving teller of the German-American Bank. Mr. Schaeffer takes the place made vacant by the death of Vice-President E. H. Price.

The Seattle Dry Dock Company, with capital stock of \$1,000,000, has been incorporated, to build a floating dry dock in Seattle harbor. The dock will accommodate ships of as high displacement as 10,000 tons.

Frank O. Wetmore

Frank O. Wetmore one day this week completed twenty-five years in the service of the First National. He began as a messenger boy and now ranks second among the vice-presidents. In commemoration of his long service his friends and associates in the bank presented him with a handsome chest of silver and appropriate floral accompaniments.

NEW CHICAGO BANK OPENS

Subscribers to the stock of the Home Bank and Trust Company have elected the following directors: F. S. Atherton, A. W. Beilfuss, P. L. Evans, B. M. Hair, Charles F. Hoerr, Julius Koop, H. R. Misch, R. I. Terwilliger, W. A. Wieboldt and Dr. K. A. Zurawski. The directors have elected the following officers:

President—R. I. Terwilliger.

Vice-President—Charles F. Hoerr.

Cashier—L. H. Prybylski.

Assistant Cashier—William O. Conrad.

The bank will open for business at Ashland Avenue and Division Street April 10th with a capital of \$300,000 and a surplus of \$50,000.

North Dakota capitalists have bought a controlling interest in the First National and the Union Savings Banks at Modesto, Calif. Among those interested is A. B. Cutts of Minneapolis, of the traffic department of the Iowa Central and Minneapolis & St. Louis roads. Governor John Burke of North Dakota and W. N. Steele, president of the First National at Rolla, N. D., with Modesto men, are purchasers. Mr. Steele will be president of the First National at Modesto.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SHOUSE, Auditor

Reserve Agents for National Banks

FIFTEEN PER CENT CASH DIVIDEND

Holders of Capital Trust Stock, Columbus, Ohio, which was merged with the State Savings Loan and Trust Company, are receiving a cash dividend along with their transfers and everybody is happy. The enlarged bank has fine prospects of being among the leaders.

The Oklahoma State Bank of Jennings, Okla., has been incorporated with a capital stock of \$10,000. Those interested in this bank are U. B. Patrick, Charles Patrick and Lee Patrick of Stroud, Okla., and C. W. Carpenter of Cushing, Okla.

Des Moines, April 5.—It is probable that a test will soon be made of the bill which has now passed both the house and senate of the Iowa legislature assessing moneys and credits at 5 mills flat and assessing bank stock at 80 per cent of its value at the regular rate of interest in the county in which the institution is located. Bankers are not particularly pleased with the second provision of this measure although glad that the flat mill rate on moneys and credits has taken place of the old law which drove so much capital out of Iowa.

It has been suggested that some Iowa bank test the constitutionality of the measure on the grounds that banks should not be assessed upon a different basis from other properties. The Iowa Bankers Association would undoubtedly back the bank which should make the test, so Des Moines bankers believe. However nothing will be determined definitely for some little time. At this writing the bill has not been signed by the governor but there is no doubt as to the governor's attitude, it is believed. Bankers are quite a little disappointed that the legislature should turn down their proposition for a ten mill assessment, later changed to 12½ and put them on an 80 per cent basis. The effect of the bill will be to increase the amount of taxes now paid by Iowa banks about \$200,000 per year. At present the amount of taxes paid by bankers, as estimated by Secretary Hall of the Iowa Bankers Association is \$900,000. This is figured upon a basis of \$9,000 per county. These figures are not exact however, since Mr. Hall was able to secure data only upon 77 counties in the time at his disposal. It is thought that the so-called concession which the legislature made as to the 80 per cent basis will hinder the bankers when they come before the legislature two years hence and ask to be put upon the millage basis as they sought this year.

Legislative Work

With the tax ferret law repealed and the moneys and credits legislation adopted, there are not many measures that are left at the hands of the Iowa legislature in which bankers are directly concerned. However the bill to permit trust companies to act in a fiduciary capacity has not been disposed of. At this writing it is in the hands of a committee and it is feared that it will be lost in the shuffle which is always attendant upon the closing days of a legislature. The bill providing that state and savings banks need not list for publication the liabilities of the directors or the names of reserve agents and correspondents in their reports has passed the house and in all probability will pass the senate. The bill provides that these facts must be furnished the state auditor although they need not be published. The bulk sales bill which passed the house has been recommended for passage in the senate and will probably win. The Spaulding bill for a permanent tax commission to take the place of the executive council met an untimely death in the senate. There are indications that Iowa's tax laws which are badly in need of revising will not be thus treated for at least two years more.

Iowa Bankers Association

A committee from the Iowa Bankers Association is preparing to hold a meeting in Des Moines to revise the constitution. Of this committee, Lee Stevens of the Century Sav-

ings, Des Moines, is chairman. C. H. McNider of Mason City and E. D. Huxford of Cherokee are the other members. There has been much correspondence anent the proposed revision but the first meeting has not been held. The revision will do away with the patchwork that now marks the constitution and put the latter document in ship shape order. Similar revision is being made by the Illinois Bankers Association.

Bank in New Home

The Webster City First National is now in its new home and very nicely located at that. New fixtures have been installed. They are of solid mahogany with bronze grille work and art glass. Marble wainscoting extends upwards for seven feet around the wall and the counters, also of marble, are beautiful. The bank is one of the leading institutions of Central Iowa.

Condition of Banks

The abstract of the condition of the national banks of Iowa exclusive of the reserve centers as reported to the comptroller of the currency following the call for March 7th shows an average reserve held at 15.73 per cent as against 15.95 per cent at the January call. Loans and discounts decreased from \$103,025,500 to \$97,672,426; gold coin decreased from \$2,435,642 to \$2,410,914; lawful money reserve from \$7,273,479 to \$6,944,607; individual deposits from \$97,608,397 to \$97,478,309.

Decline in Clearings

Bank clearings, so far as Des Moines is concerned, showed a decided falling off for the month of March as compared with the clearings for March last year. The total for March, 1911, was \$25,570,346.40. For March last year, the clearings were \$23,121,831.99. Clearings for the final week in March this year were \$3,633,054.91 as against \$4,173,462.80 last year. This showing is an indication of other cities in Iowa and there seems little likelihood that any Iowa cities will show an increase for March.

Change of Date

The date of the meeting of Group Four at Elkader has been changed from May 10th to April 27th. This is the day following the meeting of Group Five at Council Bluffs. Arthur Reynolds and P. W. Hall who are on the program at each are looking forward fondly to a trip across the state the night of April 26th in order to get from Council Bluffs to Elkader for the second meeting. It has been announced that Group Eight will meet at Davenport, May 11th.

Promotion for Young Bankers

The Iowa National, Des Moines, at a meeting of directors, Friday, created the office of assistant cashier for three clerks who have been doing excellent work for the institution. The three new assistant cashiers are James F. Hart, Harry S. Stevenson and Rufus L. Chase, Jr. Mr. Hart who has been with the institution for thirteen years was formerly chief clerk. Mr. Stevenson has been with the institution for eleven years and was formerly in charge of the discount department. He will act as cashier while Cashier Harry Blackburn is gone on a trip to Japan accompanied by his wife and son. Mr. Chase began his career sixteen years ago with the Des Moines Savings

*"One
paper in the hand is
worth a thousand in the
basket"*

The "Acme" Air Purifying and Cooling System

Is installed in the following up-to-date banks

Continental & Commercial National Bank, Chicago, Ill.
Corn Exchange National Bank, Chicago, Ill.
First National Bank, Chicago, Ill.
Importers' & Traders' National Bank, New York City
Bank of Commerce, Kansas City, Mo.
First National Bank, Kansas City, Mo.
Farmers' & Merchants' Bank, Minneapolis, Minn.
Northwestern Bank Building, Minneapolis, Minn.
First National Bank, Cleveland, Ohio
Western German Bank, Cincinnati, Ohio

Guardian Trust Building, Cleveland, Ohio
First National Bank, Boston, Mass.
Old Colony Trust Building, Boston, Mass.
Suffolk Bank, Boston, Mass.
First National Bank, St. Paul, Minn.
Laclede National Bank, St. Louis, Mo.
Land & Title Building, Philadelphia, Pa.
National German American Bank, Wausau, Wis.
Nova Scotia Bank, Toronto, Ont.
Wood County National Bank, Grand Rapids, Wis.

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Eliminates Redecorating, Cleaning and Dusting
Increases the Efficiency of Your Employees
Sweetens the Disposition of Your Clients

Write for particulars and new 80 page booklet

THOMAS & SMITH, Inc.

129 Carpenter St., CHICAGO

and prior to the promotion Friday, has been paying teller.

Miscellaneous News

W. E. Coffin of the Iowa Loan and Trust of Des Moines who is on the committee to arrange for a permanent organization of the trust company officials of Iowa states that the first meeting of the new state association will be held at Mason City at the time the Iowa Bankers Association is meeting there.

Although Iowa was supposedly overrun with bank robbers last fall, there were but nine bank robberies in 1910 with a total loss of \$8,835 as against nine in 1909 with a total loss of \$16,298.48, nearly twice as bad as last year.

In view of the success (?) that has attended the postal savings bank at Decorah, the post-office department has announced that Iowa will have a second postoffice bank at Center-ville.

Representative George W. Koontz, the well known Iowa City banker was elected mayor of his home town at the city election held last week.

The Estherville State Bank has established a savings bank. H. Graves is president; E. J. Sondrol, vice-president; G. Zeeman, cashier.

Charles Christians and F. L. Christians have retired from active duties in connection with the Farmers Exchange at Grafton. W. J. Christians who has been operating a bank at Dougherty, becomes manager of the Grafton institution.

The First National at Creston has planned to make extensive improvements in its building.

M. J. Nolan has resigned as cashier of the Farmers Savings at Lamont to become cashier of the Peoples State at Mason City.

Iowa bankers will be interested to know that Cato Sells, formerly of Vinton, has retired from the Texas State Bank at Cleburne, Texas.

The city of Ottumwa has sold \$275,000 re-funding bonds to Woodin, McNair and Moore of Chicago. The purchaser gives a premium \$5,164.50 and the interest is 4½.

The Farmers and Merchants at Columbus Junction is now located in its new building which is one of the finest in the city. It is furnished throughout with mahogany and leather upholstered furniture. The floor is tiled and the wainscoting is white marble with green base.

Grant McPherrin formerly of the Bank of Clearfield who sold out and went West to spend the winter has written to friends that he will be in Des Moines early in April. It is probable he will locate in Des Moines.

E. J. Curtin, the well known Decorah banker who has been in Dakota for some time has returned to his home at Decorah so he has informed Des Moines bankers.

MORGAN GETS PERE MARQUETTE

The recent acquisition by J. P. Morgan and Company of \$11,000,000 common stock of the Pere Marquette Railroad from the Cincinnati, Hamilton and Dayton and the purchase by them of \$8,000,000 notes of the road secured by part of the bonds to be issued under the \$60,000,000 mortgages filed on Friday, were the direct outcome of a plan set afoot among the preferred stockholders to take over control of the Pere Marquette in their own interest.

Control of the Pere Marquette rested with the Cincinnati, Hamilton and Dayton when that was sold in 1909 to the Baltimore and Ohio. The latter after two years' experience concluded that the Pere Marquette was not needed in connection with the Dayton road's operation and the Baltimore and Ohio was unwilling therefore to finance the Pere Marquette requirements. The expenses of the company, thanks largely to inadequate facilities, reached a discouragingly high percentage of the total income and it became essential to spend some money on the property to bring its ratio of expenses within reasonable bounds.

MISSING CASHIER ENDS LIFE

L. R. Tuebener, cashier of the Bank of Tushka, Okla., near Atoka, who has been mysteriously missing since last Saturday, killed himself with a pocketknife on board a train near Jacksonville, Fla. Tuebener is said to have been a defaulter.

Tuebener was about 37 years old and leaves a widow and two children. For some days before he left home he is said to have been drinking to excess.

DAVIDSON COUNTY BONDS FOR SALE

Bonds in the amount of \$80,000.00, bearing a rate of interest not exceeding five per cent. per annum, to mature in twenty five years, payable in the City of New York, will be sold to the best and highest bidder on April 20, 1911, at ten o'clock, a. m., at the office of the County Judge, in the Court House, in Nashville, Davidson County, Tennessee. Each bidder will be required to deposit a certified check for \$250.

The right is reserved to reject any and all bids.

All communications will be addressed to W. M. Pollard, County Judge, Nashville, Tennessee, or to Thomas J. Nance, chairman, care Remy-Nance Printing Company, Nashville, Tennessee.

T. J. NANCE, Chairman

W. M. POLLARD, County Judge

SAMUEL N. HARWOOD, County Attorney
NASHVILLE, TENNESSEE

BANKER GARDNER'S LAURELS

A letter from Ormond, Fla., brings the news that George W. Gardner, banker, clubman and golf expert of St. Paul, is the local hero of the golf tourney of the season.

"Old George," as he is affectionately designated, does not linger in the subbie class of golfers, but he is very near the top of the list of those who take no odds from the mythical colonel.

He qualified high in the first flight of sixteen for the Ormond Cup, and barely missed a place in the championship eight. In the first round he placed W. F. Peet in the also ran, and in the second met W. H. Lightner, with whom he has had many a historic battle on the links of the Town and Country Club. Lightner is at the top of his form, but Gardner was not to be denied, and on the sixteenth green annexed the scalp of his old-time opponent.

His victory thereafter was conceded. He plowed through the semifinals, and on Saturday, after a close battle, returned to the clubhouse bearing the handsome trophy.

The letter home, which contained these revelations, concluded with the announcement that a sea bath followed, and the ceremonies ended with a telegram of jubilation to "Hod" Thompson at St. Paul.

J. B. JENNINGS FOR TREASURER

St. Louis member of the Missouri Bankers Association are quietly working up a boom for J. B. Jennings, vice-president of the Mechanics Savings Bank of Moberly, for the treasurership of the association. Mr. Jennings is in no wise a candidate, but his St. Louis friends think he is the proper timber for the office. For many years Mr. Jennings has been active in all that pertained to the welfare of the association, and Missouri banking interests in general. He is a successful banker, and clever executive, which latter fact is considered by those advocating him for treasurer, as in the time-honored sequence of things in the Missouri Bankers Association, the treasurer succeeds to the vice-presidency, and then becomes president. The Mechanics Savings Bank of Moberly has a capital of \$150,000, and surplus and undivided profits of \$101,000. The deposits are about \$800,000.

DEERE & CO. IN BIG MERGER

It is officially announced at Moline that plans for the immediate future expansion of Deere and Co., the steel plow manufacturing corporation, involve a merger with twenty-two industrial concerns and branch houses, the consolidation to have a single ninety-nine year charter and a capitalization of \$50,000,000. The name of the consolidation will be Deere and Co., the intention being to retain the name of John Deere, inventor of the steel plow.

The Carnegie Steel Company will rebuild its Edith furnace in Pittsburgh. About four months will be required for the work.

The Audit Company of Illinois

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**Specialists in Auditing and System-
atizing Public Service Corporations**

C. W. KNISELY, C. P. A.
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REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

State National Bank

LITTLE ROCK, ARK.

Condition at March 7th call

RESOURCES	LIABILITIES
Loans and Discounts.....\$1,217,721.62	Capital Stock\$ 500,000.00
U. S. Bonds and Premiums 308,300.00	Surplus and Net Profits 51,455.07
Other Stocks and Bonds 158,725.63	Circulation..... 300,000.00
Real Estate 23,412.36	Reserved for Taxes and Interest.. 6,393.69
Stock in State Bank Building Co... 165,000.00	Deposits .....1,714,885.13
Five Per Cent Fund..... 15,000.00	
Cash and Due from Banks 684,574.48	
Total.....\$2,572,733.89	Total .....\$2,572,733.89

OFFICERS

W. H. GARANFLO, President
L. W. CHERRY, Vice-President
P. M. ENDERS, Asst. Cashier
R. D. DUNCAN, Cashier
R. M. BUTTERFIELD, Asst. Cashier

Commercial, Savings and Bond Departments

W. H. Coffinberry, cashier of the Bank of South San Francisco, was elected president of that institution at the annual meeting of the board of directors. Coffinberry succeeds Jesse W. Lilienthal, who retired. Other officers and directors elected were: Leroy Hough, vice-president; Henry L. Haaker, assistant cashier; Louis F. Swift, Edward F. Swift, Edward Tilden, Leroy Hough, W. J. Martin, C. F. Hamsher, J. W. Lilienthal and Henry J. Crocker, directors.

The Bank of Shasta county closed its doors at the request of the directors, and the president states that liabilities will be paid in full if time is given to adjust the bank's affairs. President C. C. Bush says: "We can pay in full if given time. Some big loans do not look as good as when we made them. There has been a run on our bank since December, when T. S. Henderson, in St. Louis, made the statement that we had loaned him \$125,000 without security in connection with the Afterthought Copper Co. This was not true, but it hurt us just the same. Troubles between farmers and smelters have also hurt us, \$175,000 having been cut from local payrolls in the last year and a half. The First Savings Bank of Shasta County, a collateral institution, is in no way involved." The First Savings Bank of Shasta County stopped payment at noon because of a heavy run of depositors. The state bank examiner posted a notice on the doors that the institution was perfectly solvent.

The American National Bank of this city says: That there will be a heavy output of the chief agricultural products of California this year cannot be doubted. Precipitation during the past two months has been unusual. The mountains are thickly overlaid with well packed snow, and an abundant supply of water for irrigation purposes through the summer is assured. Temperatures somewhat below the normal have kept back ambitious vegetation, with the consequence that fruit buds will be much less likely to suffer from frosts later in the spring. In the southern counties the shipments of citrus fruit continue in large volume, and the output will be much in excess of last year's.

Walter J. Bartnett, former vice-president of the California Safe Deposit & Trust Company, which went to the wall in the fall of 1907 and has since paid but 10 cents on the dollar of its deposits, has been freed of all criminal charges growing out of the affair. Shortly after the crash Bartnett was charged with embezzlement of certain securities held by the trust

company. After three and a half years these two indictments are now dismissed, and the court calendar is entirely cleared of the criminal prosecutions growing out of the wreck of the bank. The only penalty was that visited upon J. Dalzell Brown, manager of the bank, who confessed early and earned a term of eighteen months in the penitentiary at San Quentin. Bartnett has been for three years in New York trying to reorganize the bank, so far without success.

At the annual meeting of the Associated Savings Banks of San Francisco held recently, the following officers were elected: R. M. Tobin, president; George Tourny, vice-president; John S. Drum, secretary-treasurer; Frederick H. Colburn, assistant secretary. The following eleven banks holding membership in the organization have aggregate capital, surplus and deposits of more than \$165,000,000. Bank of Italy, Columbus Savings and Loan Society, French-American Bank of Savings, German Savings & Loan Society, Humboldt Savings, Ilibernia Savings and Loan Society, Italian-American Bank, Missions Savings Bank, Mutual Savings Bank, Savings Union Bank of San Francisco, Security Savings Bank.

MRS. YERKES IS DEAD

Mrs. Mary Adelaide Yerkes, widow of Charles T. Yerkes, the traction financier, died at her New York home Sunday night of heart failure.

If you want to buy, sell or absorb a bank

or insurance company, send for me. I will make preliminary negotiations secretly and diplomatically. Everything confidential in my office. All negotiations conducted personally. Nothing intrusted to the mail.

E. A. GRANT

901 Garfield Building, CLEVELAND, OHIO

Los Angeles

I. W. Hellman, head of many banks in San Francisco and Los Angeles, who paid a brief visit to the city, on his way eastward for a trip to Europe, was the honor guest at a luncheon given by J. A. Graves, vice-president of the Farmers & Merchants National, an institution of which Mr. Hellman has been the head since its organization in 1871. As Mr. Hellman says his trip abroad is one of business his reported retirement seems far off.

As proof of the assertion that the Los Angeles banks have been piling up their reserve there is a re-appearance of the long absent advertised announcement of money to loan. The Security Savings Bank, the largest not only in the city, but in the whole Southwest, is now advertising for borrowers. Other banks report increasing deposits and a willingness to make loans more freely than for the last year. It is notable that despite the reluctance of the banks to make loans in recent months, the interest rates have remained practically unchanged.

In the fact that J. M. Elliott, president of the First National of Los Angeles, has obtained a ten years' extension of the lease of the premises now occupied by that institution, at Spring and Second streets, is disclosed the intention of the First to retain a branch at that corner when it moves to its new location five blocks further south, about two years hence. If the bank is not permitted to operate a branch, the stockholders will form a new organization, under a separate charter, to do business at the present location. This will prevent any competitor from profiting by the prestige of the big bank in the old location.

Plans are taking shape for the construction of a three-story club house for the Los Angeles chapter, American Institute of Banking, to cost about \$40,000. Negotiations are now in progress for a central site, and architects are preparing plans for a modern building to fill the requirements of the chapter, which now has nearly 500 members.

Fargo F. Collins, savings teller of the Oil & Metals Bank & Trust Company, of Los Angeles, confesses that he stole more than \$4,000 from the bank. According to his own story the peculations, in small amounts, have extended over a long time, but there was no discovery until March 22d.

The Hollywood National will soon occupy its new building which was erected at a cost of \$32,000.

The Crown Auto Jacks

The Crown Tire Saver

This device will prolong the life of your tires at least one-third, which means a great saving to you. The Crown Tire Saver is quickly adjusted to any height car. It has a swivel rest with leather-faced saddle to protect your hub. A set of four jacks weigh 28 pounds. You can see from the cut that it is compact, the handle while in use folds closely to the stand and out of the way. Can be placed in any position. It is built strong and substantial. Cannot slip or drop, as it is impossible to disengage the pawl while under weight.

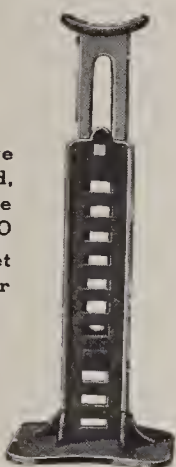
Price,
per set
of four,
\$6.00



The Easily, Quickly Operated Jack—Staunch, Sturdy, Unbreakable and Inexpensive

A spiral wheel, made of the strongest, toughest material, avoids all the disagreeable shock, crunching and jerking of ordinary jacks. They are self-locking at every point. They can be raised any fraction of an inch and have an automatic reverse. 5½ pound jack lifts 2,000 pounds and costs \$1.50. Other jacks are equally inexpensive and very inexpensive that the saving they effect on tires pays for a set of them a dozen times a year. ¶ The CROWN Tire Savers are so you a circular of these invincible jacks. ¶ We want a representative in every town to handle our line of jacks.

Storage
Stand,
Price
\$2.50
Per set
of four



No. 1
18 inch
Reach,
Price
\$1.50



No. 3
21 inch
Reach,
Price
\$2.00



The Ashland Mfg. Co.

Ashland, Ohio

MINNESOTA BANKS

Call for statements of business by the state superintendent of banks in Minnesota develops that there are 701 of the institutions under his jurisdiction, an increase of 41 for the year and that the resources have made a gain in the same period of \$12,748,535, the annual call having been made March 29, 1910. The resources at present are \$128,434,794. In the year the time certificates have gained \$8,000,000 and deposits subject to check \$1,791,000. The gain in time checks since the previous call is \$2,000,000 and in deposits \$2,000,000.

The state banks now have on deposit \$67,130,000 in certificates of deposit in addition to \$36,676,000 subject to check, \$1,044,000 demand certificates and \$1,682,000 cashier's check.

TIBBS, HUTCHINGS & CO.

Schedules in the case of Tibbs, Hutchings and Company, Minneapolis, in the hands of the Minneapolis Trust Company, show \$2,297,378 liabilities, and \$3,000,000 assets. Bills and notes assets are \$346,375 and notes to creditors are \$1,124,893.

Holders of commercial paper of amounts of importance are Northwestern National Bank, \$197,500; Security National Bank, \$65,000; National Union Bank, Boston, \$100,000; National Park Bank, New York, \$100,000; First National Bank, Chicago \$39,893.23; National Bank of Commerce, New York, \$35,000.

State Examiner Kumpe of Montana, in a recapitulation of the reports of state banks in response to a call March 7th. Total resources are \$32,322,000, while deposits aggregate \$24,542,770. In both cases there is a gain. The banks have an average reserve of 34 per cent.



INTERIOR VIEW OF FIRST TRUST & SAVINGS BANK

DURING the month of January 42,859 customers were waited on by the Receiving and Paying Tellers, and probably as many more had their pass books balanced or interest entered at the bookkeepers' windows of First Trust and Savings Bank. This increased volume of business makes necessary the remodeling and enlarging of the present banking rooms; additional space has been secured adjoining the present quarters in the First National Bank Building and work is being rushed in order that the new apartments may be ready for occupancy before July 1st.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Miscellaneous

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$47.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

FOR SALE—Farm Implements

O'Neil Implement Co., La Salle, Ill., have on the market CON-SERVING carriers and EXPANSION spreaders that increase the value of MANURE and save so much time and labor that they are the best paying investment a stock or grain farmer can add to his equipment.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.
The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.
This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.
Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37.
This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,
407 Monadnock Block, Chicago.

POSTAL SAVINGS IN FRANCE

Since the inauguration of the postal savings bank system in France in 1882, it has had one continued march of progress, according to Consul General Agaulin at Marseilles. The total number of banks in operation the first year was 6,024, with 211,580 deposit accounts remaining open at the close of the year. These accounts, including interest, amounted to \$9,187,116, the average deposit being \$43.41. In 1909, the latest year for which statistics are available, the number of banks had increased by nearly 2,000, the deposit accounts numbered 5,542,882, and the deposits, including interest, aggregated \$316,456,866 averaging \$57.08. In France individual accounts are limited by law to 1,500 francs (\$289.50). Net profits were \$526,786.

Department of New Business

NORTHWEST

Albany, Ill.—First Trust Savings Bank, capital stock of \$25,000. C. E. Peck, C. L. Binker, James Beach, H. R. Senior, and S. B. Diamond are interested.

Douglas, Ill.—Nicholas B. Jones, C. Caruthers and others are interested in the organization of the new Douglas State Bank being formed in this place.

Fordyce, Ill.—The Bank of Fordyce is being established here, and will shortly open for business.

Mill Shoals, Ill.—The Farmers and Merchants Bank is the name of the new institution organizing here, with John Cox, president, and Lorton Files, cashier.

Sidney, Ill.—A new banking concern has been established here, with a capital stock of \$25,000, and will operate business under the name of the State Bank of Sidney.

Hoffman, Minn.—Farmers' State Bank. Capital, \$12,000. P. O. Unumb, president; Frank Buscher, cashier.

Okaton, S. D.—The Okaton State Bank is the title of a new institution with a capital of \$15,000. C. H. Miller is president; Thos. Hughes and Samuel Brown vice-presidents, H. L. Brandt cashier and S. E. Burns assistant cashier.

North Lake, Wis.—Bank of North Lake is the title of a new institution organized here with a capital of \$15,000. W. M. Dayton, Burton M. Smith and Henry Peterson are promoters.

Ladysmith, Wis.—F. P. Answorth, of Neils-ville, will open a new bank here about May 15th.

Chilton, Wis.—The Commercial Bank has been chartered with a capital of \$25,000. F. J. Egan, Herman Paulsen, Theodore Schultz and others are promoters.

Patch Grove, Wis.—The State Bank of Patch Grove is the title of a new chartered institution with a capital of \$10,000. Frank Kalb, E. C. Alanns, E. H. Case and others are promoters.

Boxholm, Ia.—The Farmers' Savings Bank has been organized here with a capital of \$10,000. J. H. Roberts, president; O. L. Lidvall, vice-president, and Axel Westeen, cashier.

Pettibone, N. Dak.—The State Bank of Pettibone has been organized with a capital of \$10,000.

Woodworth, N. Dak.—The State Bank of Woodworth has been organized with capital of \$10,000.

Belfield, N. Dak.—The Merchants' State Bank has been organized here. J. O. Milsten, R. C. Davis and others are interested.

EAST

Knoxville, Pa.—A. B. Hitchcock is president and Chas. H. Lugg, cashier of the new First National Bank, organizing.

Warren, Conn.—C. W. Beel, of First National Bank of Stamford, is reported interested in the organization for a new bank at this place.

Newark, N. J.—A new bank is to be organized in the location of Springfield and Eighteenth avenues and South Tenth Street. Edward E. Gnichtel is said to be at the head of the movement.

Midland Park, N. J.—The comptroller of the currency has approved the application of H. I. Coggeshall, C. W. Hopson, H. R. Snyder, H. J. Wostbrock and T. Post to organize the Midland Park National Bank of Midland Park, N. J., with \$25,000 capital.

WEST

Tolt, Wash.—The new Tolt State Bank reports the following officers: E. B. Cowles as president, E. B. Magnochi vice-president and S. D. McIlhargey, cashier.

Modesto, Cal.—W. P. Clarke, a banker of Richmond, has arrived at Ceres to take charge of the recently organized Bank of Ceres, which will open for business shortly after April 1st.

San Dimas, Cal.—Application has been approved for conversion of the Bank of San Dimas to the First National Bank of San Dimas. Capital is \$25,000.

Orland, Cal.—The application to organize the First National Bank of Orland has been approved; capital, \$50,000, by W. E. Scarce, G. A. Barcelone, C. L. Donohoe, H. J. and P. Barceloux.

Willows, Cal.—The State Savings Bank has been organized here. Charles L. Donohoe is president.

Concord, Cal.—The First National Bank of Concord is open for business.

Ocean Park, Cal.—The Merchants Commercial and Savings Bank of Ocean Park will open for business May 1st.

Escondido, Cal.—H. F. Johnson, an experienced banker from Oklahoma, is making arrangements to establish a state bank at Ramona, with a capital of \$25,000. He and his son will supply \$15,000 of the amount, the remainder to be subscribed by the citizens of Ramona and vicinity.

Radium, Kan.—Radium State Bank is the title of a new enterprise. John Bauer is president.

SOUTH

Watson, Ark.—The Bank of Watson has been chartered with a capital of \$10,000. G. F. Blockwood is president, W. J. Watson, vice-president and C. C. Hayes, cashier.

Bentonville, Ark.—A new loan and trust company is being organized here with a capital of \$100,000. C. G. Sutherland, of St. Louis, Mo., C. B. Still, of Kirkville, Mo., and others are promoters.

Jefferson, La.—J. B. Hussey and M. J. Whelan are promoting a new state bank at this place with a capital of \$25,000.

New Iberia, La.—The Citizens Bank is the title of a new enterprise. C. L. Proost is interested.

St. Cloud, Fla.—Frank M. Sterrett of Troy, Ohio, is considering establishing a new bank at this place.

Dearing, Ga.—A new bank is to be organized here. S. M. McNair and J. R. Howard, of Wrens, and J. D. Howard, of Milledgeville, are interested.

Landis, N. C.—The Merchants and Farmers Bank has been chartered with a capital of \$10,000. B. O. Edwards is president.

El Paso, Tex.—The new Union Bank and Trust Company will be opened for business about April 15th. E. Moye is to be president and Max Moye, cashier.

Tioga, Texas.—The First Guaranty State Bank has filed articles of organization with a capital of \$25,000. J. F. Rogers and others are promoters.

Texas City, Tex.—Scott Marshall is president and A. B. Phillips cashier of the new First National Bank. The capital of the institution is \$25,000 and surplus and undivided profits of \$6,250.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

CASHIER LUNDAHL of the Peoples at Moline is in Europe on very extended (hoped to be at least) vacation. Vice-President Nelson R. Greene is acting cashier for the present. Like Editor Kohlsaats' big wind at Springfield, we are not going to tell any more about it.

NOTHING grouchy or pessimistic about the National City of Chicago. In its April letter it says that "there is nothing in the immediate situation to afford basis for the rumors that several railroads would follow the example of the New York Central in reducing their dividend rates. Many lines are making a much better showing than they did early in the year. While there has been an enormous falling off in business, compared with that reported at this season in some years, it is believed a sufficient margin of profit still exists and that many roads will make a better showing from now on."

J. B. JENNINGS of Moberly is being groomed for treasurer of the Missouri Bankers Association this year. We hear that "Dick" Hawes and several other bundles of activity are for him, and besides it's about time a country or a state banker had a chance at the Missouri chairs. Jennings is both state and country banker in one, and a good representative of those interests.

IN Missouri they start their presidential hopes in the treasurership rather than as chairman of council as is done in many states. At no time in that state association does the council attempt to usurp the selective functions of the whole body. This is another thing which ought to be "revised" into the new Illinois constitution. Back room management has gone out of favor in politics and ought to go out of bankers' association ethics.

YES, you may believe that if the Hearst papers had joined all the other Chicago papers in their villainous mud-slinging on Harrison, his majority could have been increased to 35,000.

THE Merriam junta didn't lack funds but was short of sense. A hundred cheap, amateurish blunders and over pretensions could be pointed out. Bowing to the "wets" who only turned away to laugh; abusing Harrison for taking his son to the California mountains for his health, etc.

COMRADE EDENS is said to have been caught napping for once on Wednesday morning. He was turning his paper over page by page when an acquaintance inquired "What you look for?"

"Real estate transfers," said Edens.

"Front page," said the friend, "the whole city of Chicago was transferred to clean hands."

CASHIER.

THE TWO JOHNSONS

The Two Johnsons, Wilford J. Johnson, cashier First National Bank of Lewiston, Montana and C. E. Johnson, assistant cashier, Bank of Galesburg, Galesburg, Illinois, called on officers of the Central Trust Company recently. Mr. Johnson of Montana was on his way East on a business trip, C. E. Johnson of Galesburg was looking about for pointers on architecture and appointments suitable for the modification now under consideration in their banking quarters at Galesburg. The bank of Galesburg is one of the strong down state institutions with deposits of nearly a million, whose president, former Supreme Court Justice, A. M. Craig, also controls a number of smaller banks in Knox and adjoining counties.

CHICAGO BANKS STILL GAINING

Chicago banks gained another \$2,000,000 and more during March on the currency movement into and out of the city. Shipments of currency by the local banks amounted to about \$8,800,000, but their receipts from the East, the subtreasury and the other direct currency shipping sources were \$10,900,000. Shipments in March were the largest for any month this year, but were considerably less than shipments in March last year.

In the first three months this year Chicago banks have gained \$13,750,000 on the currency movement. Their total receipts from all the direct shipping sources were \$36,300,000, against total shipments of \$22,600,000. Shipments in the corresponding period last year were \$5,000,000 larger and all outside receipts were about \$10,000,000 less.

Deposits in local banks continue to run high. While a few of the larger institutions have lost deposits since the publication of the March 8th statements, more of them have gained.

Money rates continue very easy. The demand for funds is light.

PEOPLES GAS STOCK WEAK

Peoples Gas stock broke to 103 Wednesday in the New York market and to 104 on the Chicago exchange, following the election of Carter Harrison as mayor. "Seventy-cent gas" was part of Mr. Harrison's campaign platform. The present rate is 85 cents. The closing price on the stock the day before the election was 107½.

The market gossip is that the stock will sell lower, especially if the Harrison administration attempts to force the cut it desires in the price of gas to the consumer. A reduction to 70 cents would be resisted in the courts by the company, but a compromise at 80 cents, or possibly even 75 cents, would be accepted gladly.

American Can shares were advanced in this market, following a movement in New York where the trading was active. Swift, Sears-Roebuck common, Edison and Illinois Brick were firmer and in fair demand.

Diamond Match debenture 6s touched a new high price record at 105. There was good demand again for Chicago Railways 5s up to 98¾ and for the Northwestern L 4s at the same price. South Side L 4½s opened off a small fraction, but recovered to 93¾. Other bonds were steady.

NEW NATIONAL BANKS FORMED

During the month of March seventy applications for permission to organize national banks were made to the comptroller of the currency. Of the applications pending fifty-seven were approved and eleven were rejected. During the month thirty-nine national banks were authorized to begin business. Their total capital is \$2,740,000. Of the number twenty-five, with a total capital of \$640,000, have individual capital of less than \$50,000, and fourteen, with a capital of \$2,100,000, have individual capital of more than \$50,000.

At the beginning of this month there were 7,252 banks in the national system. Their authorized capital is \$1,025,117,135. Their bank note circulation secured by bonds is \$693,261,786 and their circulation secured by lawful money \$35,891,130. The increase in national bank note circulation in March was \$217,875 and for the twelve months ended with March was \$11,893,920.

NEW IOWA NATIONAL CASHIERS

As forecasted in THE CHICAGO BANKER, the Iowa National of Des Moines has elected three new assistant cashiers. They are R. L. Chase, Jr., James F. Hart and Harry S. Stevenson. Homer A. Miller is the president and H. T. Blackburn, cashier.

OKLAHOMA'S BANK PROBLEM

The banking situation in Oklahoma continues to be very unsatisfactory and even the staunchest friends of the bank deposit guaranty law admit that it is proving disastrous. The report of the state bank examiner's office for the month of March is discouraging in so far as it relates to state institutions. The records show that in March there were thirty-two changes in bank charters as follows:

Central Reserve Bank, Oklahoma City, merged with the Oklahoma City National Bank under the name of the latter.

First State Bank, Norman, merged with the First National Bank under the name of the latter.

Hobart State Bank, Hobart, merged with the First National Bank under the name of the latter.

New banks reported:

Oklahoma National Bank, Chickasha; succeeds Oklahoma State Bank.

Farmers National Bank, Cordell; succeeds Farmers State Bank.

Cordell National Bank, Cordell; succeeds Cordell State Bank.

State National Bank, Cordell; succeeds Oklahoma State Bank.

Oklahoma State National Bank, Clinton; succeeds Oklahoma State Bank.

First National Bank, Collinsville; succeeds Oklahoma State Bank.

First National Bank, Elk City; succeeds First State Bank.

First National Bank, Eldorado; succeeds First State Bank.

First National Bank, Hydro; succeeds Hydro State Bank.

First National Bank, Harrah; succeeds State Bank of Commerce.

Peoples National Bank, Kingfisher; succeeds Peoples State Bank.

Lenapah National Bank, Lenapah; succeeds Lenapah State Bank.

Lawton National Bank, Lawton; succeeds Lawton State Bank.

First National Bank, Lahoma; succeeds Bank of Lahoma and Farmers' and Merchants' State Bank.

State National Bank of Marlow; succeeds Marlow State Bank.

First National Bank, Muldrow; succeeds Cherokee State Bank.

First National Bank, Noble; succeeds Noble State Bank.

Producers National Bank, Nowata; succeeds Producers State Bank.

Commercial National Bank, Nowata; succeeds State Bank and Trust Company.

Exchange National Bank, Okmulgee; succeeds Okmulgee State Bank.

First National Bank, Olustee; succeeds First State Bank.

First National Bank, Sayre; succeeds First State Bank.

Beckham County National Bank, Sayre; succeeds Beckham County State Bank.

Farmers National Bank, Sallisaw; succeeds Farmers State Bank.

First National Bank, Stillwell; succeeds Adair County State Bank.

First National Bank; Skiatook; succeeds Skiatook Bank.

National Bank of Commerce, Tulsa; succeeds Bank of Commerce.

Oklahoma National Bank, Tulsa; succeeds Bank of Oklahoma.

Temple National Bank, Temple; succeeds First State Bank.

OFF TO JAPAN

H. T. Blackburn, cashier Iowa National, Des Moines, wife and son sailed from San Francisco this week for a trip to Japan.

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

DONNELL SAFE COMPANY

Established 1886

200-202 East Washington Street
CHICAGO, ILLINOIS

The Brandt Automatic Cashier

SAVES

all the bother and worry of counting and picking up small coins.

Saves 25% in time.

Prevents errors.

It's automatic.

PRESS ONLY ONE KEY
PAYS MONEY



Pressing ONLY ONE KEY
Completes the Transaction

COSTS

less than
5 cents a day
to own.

Requires no
supplies — no
repairs.

TEN-YEAR
guarantee.

BRANDT CASHIER COMPANY
727 SOUTH DEARBORN STREET · CHICAGO

FOURTH STREET NATIONAL BANK

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Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,400,000.00

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send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits	\$ 2,000,000
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W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

The Girard National Bank

OF PHILADELPHIA

Capital,	\$2,000,000.00
Surplus and Profits,	4,450,000.00
Deposits,	38,500,000.00

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

APRIL 15, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Money Firmer

An improvement is reported at Chicago banks in the inquiry for money and the market has a better tone. There is no advance in quoted rates, but they are much firmer. Counter loans are mostly at 5 per cent. Commercial paper offerings have lessened but are on a 4 per cent basis. Bonds are steady with moderate transactions.

A month ago a great deal of money was coming to Chicago for the purchase of bonds and commercial paper on a 4 per cent basis. In a measure this hurt the local money market, as it added in the aggregate a large sum to the amount already seeking profitable employment here. There is little of that sort of thing at present. The farming season is open, North and South, and interior bankers are not only finding use for their funds but are posting their Chicago correspondents as to probable necessities with the advance of summer.

Tells of New Demand

George M. Reynolds, president of the Continental and Commercial National, said Wednesday:

"We are beginning to find a demand from our country correspondents in order to carry grain loans. The average western farmer does not like to sell his produce at a low price, and is a believer that higher prices must come if he will hold on. In consequence there is considerable volume of money needed to hold western grain for higher prices.

"There is no suggestion of speculation or that borrowing is due to inflation of any character in the Western country. In fact, it is something of a relief to us to have our correspondents find use for some of the funds they have been placing with us.

"General business rules rather slow, and the demand from the public for accommodation is, in consequence, not large. Still, I think we are about through buying commercial paper at the low rates now quoted."

Bond Business Satisfactory

Another encouraging feature of the money market is the fact that bonds are absorbing a lot of idle capital. The dealings in bonds are out of all proportion to the transactions in speculative stocks. All exchange report lethargy in speculation, while there is a keen, discriminating interest in bonds, especially in the way of short-term investments. The bond business is quite satisfactory to bankers and dealers.

Visit Arkansas

F. A. Crandall of National City Bank, Geo. B. Smith of Continental-Commercial, Arba Perry of Colonial Trust and James G. Wakefield of Corn Exchange National are back from their Arkansas visit. They were the only Chicago bankers attending the Little Rock convention.

All of the gentlemen report a pleasant and profitable trip. The business of Chicago banks continues to grow in that direction. Chicago exchange is in such universal demand in the South that bankers there frankly admit the need of carrying accounts in this city.

The annual convention of the Arkansas

Bankers Association last week was one of the largest and most spirited ever held. Money conditions in the South are much the same as here. Trade activity is not great and capital is superabundant. Farming operations are going forward on broad lines, however, and there are prospects of a decided improvement in the money market as the season advances.

Woodrow Wilson

Trenton, N. J., April 10.—President E. E. Crabtree of the Illinois Bankers Association was here to-day bearing an invitation to Governor Woodrow Wilson to address the Illinois convention to meet at the State Capital in October. He also had an invitation from Governor Charles S. Deneen to Governor Wilson.



HON. WOODROW WILSON
Progressive Democratic Governor of New Jersey who is
Expected to Speak in Illinois

From his manner the onlookers were led to believe Mr. Crabtree had not failed in his mission. Governor Deneen also will be on the program.

C. B. MUNDAY HEADS NEW BANK

Vice-President C. B. Munday of La Salle Street National, Chicago, has been elected president of the new Oconee State Bank, the organization of which was completed in this city Thursday. This action does not affect Mr. Munday's active connection with LaSalle Street National. He has interests in Shelby county and in the organization of the new bank at Oconee his friends there desired him to act as head of the concern, which starts with a capital of \$25,000.

NEW YORK BANKERS HERE

James N. Donald of Hanover National, New York, and Stephen Baker, of Bank of the Manhattan Company, were callers at Continental-Commercial National, Thursday.

Corporation Tax

Secretary MacVeagh has approved some important amendments to the regulations governing the collection of the corporation tax. Among the changes is a provision in regard to the depreciation of mines, oil or gas wells and other natural deposits. Hereafter, in computing the net income deduction will be allowed for depreciation from ore and mineral deposits on the basis of the original capital investment cost.

A further deduction will also be allowed for the unearned increment represented in such properties on January 1, 1909. This is to be determined from an estimate of the fair market value of the deposits on that date, which will be based upon the total disposal value of the deposit, exclusive of the value of improvements and development work, and will be reduced to the unit of value per ton or barrel. Deduction will then be allowed on that basis at the rate of the original cost.

Under the amended regulations, depreciation of a company's stock is regarded as a loss to the stockholders but not to the company issuing it, so that it cannot be allowed as a deduction. It is provided that deduction on account of depreciation of property must be based on the lifetime of the property, its cost and value and its use. Good will is defined to represent the value of a business over and above the value of the property, and is declared not to be an allowable deduction from the income.

Many classes of corporations are affected by the amendments to the regulations. It is provided that charitable institutions supported by voluntary contributions or state appropriations are to be exempt from the tax. Building and loan associations which lend money to others than members are not thereby removed from the exempted class. Pensions paid by corporations to retired employees or their families, or others dependent upon them, or on account of injuries received, will be regarded as proper deductions under the head of "ordinary and necessary expenses," but gifts or gratuities to employees of a corporation will not be permitted in that class. Among the items which will be allowed as deductions are donations made for purposes connected with the operation of a property when limited to charitable institutions, hospitals or educational institutions conducted for the benefit of employees.

Transit Report

The printing of the transit committee's report is about completed and the scheme as finally developed will be presented at the Nashville meeting of the executive council. The plan as printed has been gone over in Chicago this week by Col. Farnsworth, E. R. Fancher, George C. Power, Ralph Van Vechten and various other bankers and is said to be one that is likely to meet general approval. The report makes a large volume, as the numerals for the different cities and banks are set forth in full.

Mathew S. Nolan has been chosen cashier of the Peoples State Bank of Mason City, Ia.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary
EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Surplus and Profits \$10,000,000

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
RALPH C. WILSON - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor
H. LAWTON - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES
Secretary

WM. P. KOPF
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GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

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We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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Bayne, Ring & Company Commercial Paper Bankers

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WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

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Deposits 10,000,000

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

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A. E. COEN, Asst. Cashier
LOUIS H. SCHROEDER, Mgr. Bond Dept.

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

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JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

A MOLINE banker was found in a deep, deep, brown study the other day at the LaSalle, over a copy of the New York Daily Baiker, pocket edition. "I can't tell," said he, "what Anthony Stumpf and those seven vice-presidents find to do on that little paper unless they take turns in setting type and print it on a hand press?" Now, you guess?

DEAR Mr. Merriam: Please subside. Either the people didn't want your brand of "decent and clean" government or they didn't believe you to be the real thing. Take another guess.

"GREATER BELLEVILLE," the title of a very pretentious book gotten out under the auspices of the Belleville Commercial Club, gives an exposition of that thriving German American city. There are several hundred electrotypes showing the business streets, the residence districts, the manufacturing enterprises, and the chief public buildings. This splendid growing city was described by Charles Dickens seventy years ago as "a small collection of wooden houses huddled together in the very heart of bush and swamp, its main street a forest path nearly knee deep in mud and slime." That must have been about the time that Richard Wangelin struck the town? Things began to improve immediately, and to-day it is an important city and supports quite a number of banks, daily newspapers, trolley lines, parks, theatres, good hotels, and manufacturing enterprises which send their goods around the world.

GREATER Belleville of to-day has a population of 30,000 and is surrounded by the richest land in Illinois. Belleville is an educational center, and ever since the arrival of the German element, the public school system has been one to boast of. The city is rich and is surrounded by a community of hard working, prosperous farmers, and altogether forms a unit of population of which the whole state of Illinois is very justly proud.

BALLINGER, TEXAS, is almost as live a town as the famous secretary for which it probably was named. News comes from there that M. A. Traylor, president of the First National of that city, has resigned to accept a position with the National Stock Yards National of East St. Louis. Mr. Traylor has made a great success in his chosen occupation, and heretofore has resisted many attempts to induce him to go to larger cities.

FROM Ballinger comes the news that a sheriff's posse had to be called out to protect the manager or owner of the defunct Citizens Bank, a private institution at Winchell. This little bank was not under way very long, but managed to gather up about \$3,000 in money, more than its proprietor had when he came to town. What he now wants is protection from violence on the part of his depositors. Ballinger is a city of 3,500 population.

MCALISTER, OKLAHOMA, had a near holiday on April 3d when the First Na-

tional of that thriving city opened for business in its new building. The new home which was erected upon the site of the old one has a front which attracts attention. It consists in chief of two large granite columns between which, deeply recessed from the street, is one enormous window, the sash being made of copper.

THE interior has what is known as marble furnishing, the main portions being white and the trim in green. All of the railings are of green bronze and splendid vaults have been installed. Altogether the First National of McAlester has an up to date home, one of the finest in the state. The present officers of the First National are Wm. P. Freeman, president; R. B. Brewer, cashier; B. S. Brooks, assistant cashier. The inactive vice-presidents are J. H. Morgan and W. S. Ambrose.

APRIL THIRD was a great day for McAlester. The day before the First National opened in its new home, the First Baptist Church dedicated its magnificent new building, and the Elks opened a new club house. Even in Oklahoma this might well be considered a high record.

FROM Washington we see a great many dispatches pretending to distribute the information that depositors like national banks very much better than state institutions, and especially state guaranty banks. If these dispatches really originate in the office of the comptroller of the currency, which often is hinted at in their construction, it would seem to the casual observer almost like something that ought to be discontinued.

WHATEVER opinion the officials who have to do with national banks may have about the popularity of state institutions might better be kept for executive sessions. State banks and trust companies have been increasing in number and importance at a wonderful rate. In some states they predominate. The ethics of the situation should be observed.

IT does not pay to become too much agitated over display head lines in a St. Louis paper. One day last week there were two of these scare heads in one issue of one paper which read like this: "Bank of Commerce Higher," "Scores a Large Gain," and more of the same kind. Just to see if by chance the great National Bank of Commerce might have changed owners, we looked up the records and found this inscription: "Only two lots changed hands,—one lot of one share at 225, and one lot of ten shares at 226." The last sale had been at 221 a couple of days before.

BROKERS explain these varying prices by the rumor that the National Bank of Commerce shortly is to open the Commerce Trust Company as an auxiliary. This the bank denies although the ground floor of the new bank building at Broadway and Pine is being held in reserve for this apparent purpose. The active work which is being done is in preparation of the quarters of the Commerce Safe Deposit Company which hopes to open in June.

BABCOCK, RUSHTON AND COMPANY of this city and of New York is marketing the four millions of new Booth-Fisheries bonds. These bonds pay 6 per cent and are redeemable at 101 for sinking fund purposes. Central Trust Company of Illinois is the Chicago trustee.

PERHAPS it is possible that too much time is given, too much space wasted in the daily newspapers over the doings of the state banks of Oklahoma. At last report of all the state banks covering all of the state institutions in the state, the combined individual deposits were less than fifty millions. It ought to be possible for these banks and their owners to work out their own salvation without too much critical attention from the bankers and banking papers of other states. Give them a chance.

A BANKER up in North Dakota has written a long letter explaining why North Dakota farm mortgages are superior to those of most other states. First he calls attention to the fact that mortgages in most other states represent from 50 to 60 per cent of the valuation while in North Dakota they represent from 15 to 40 per cent of the value of the land exclusive of improvements.

HE further shows, quoting United States census, that farm products "at the farm" sell for more money in North Dakota than they do in either Illinois or Iowa. He further shows that the average cost of land in North Dakota is \$20 per acre and that they raise 15 bushels of wheat per acre, showing a profit on the investment of 14 per cent.

THE same crop on land costing \$50 per acre would yield a profit of less than 2 per cent, and an Illinois farmer would be obliged to raise nearly 40 bushels of wheat to the acre to produce a similar income. This makes a pretty strong showing for the prime securities prized so highly by the North Dakota bankers.

THINK of a minister being sued for \$50,000 in a mining stock deal. Must be a better business than it has been rated.

"WHAT shall we do with our ex-mayors?" inquires the Tribune. Perhaps it hasn't noted the freshly painted "F. A. Busse" on the numerous coal wagons which did such a thriving business all the four years of his reign, under a nom de plume, as it were.

BAYNE, RING AND COMPANY, now at 226 LaSalle, will be at home in the Harris Trust, fourth floor, after May 1st. The tenant list in the Harris palace has been so carefully edited that those who "pass" are to be congratulated.

BAYNE, RING AND COMPANY is one of Chicago's younger investment houses but has made enviable progress. In their new quarters they will have space in keeping with their growth. They have put considerable time on the selection of their new furnishings.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

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REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000 Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets CHICAGO

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

CORN EXCHANGE

CAPITAL : \$3,000,000.00
SURPLUS : \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

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Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

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S. M. FELTON, Pres. Chicago Great Western Ry. Co.
T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT
CHARLES C. DAWES, ex-Comptroller of the Currency

Bills of Lading Movement

Thomas B. Paton, general counsel to the American Bankers

Association, delivers an important address on this subject before national body of business men

New York, April 10.—Speaking of the progress made toward improvement in conditions governing bills of lading, General Counsel Paton, of the American Bankers Association at a recent banquet of a business men's association held at the Hotel Astor, gave an outline of the efforts which have been made on behalf of shippers and bankers during the past five years for improved documents and better laws. He also told of certain beneficial results. He said in part:

"During the last forty years there has been tremendous development in the interstate commerce of our country. The business now carried on between citizens of California and New York or any other Western state with New York is greater in volume than was carried on a third of a century ago between New York and Massachusetts or between any two Eastern states. As a consequence of the vast increase of interstate transportation, new and technical questions have constantly arisen growing out of disputes between carrier and shipper and the courts have been called upon in a multitude of cases to declare and define rights and liabilities. In the earlier days the carrier had about everything his own way. He framed shipping documents and contracts of carriage to suit himself and put in them conditions and exemptions from liability which in many instances enabled him to deny fair treatment to the shipper and to the consignee of the goods at destination. The records of reported cases in the courts of the country give evidence of a long-continued struggle upon the part of the mercantile community to establish just rights against carriers in cases of lost, delayed and damaged goods.

"Five years ago conditions were so bad that a concerted movement was inaugurated by the shippers of the country and by the bankers which had the twofold object, first, of improving the form of the bill of lading itself, and second, of obtaining better and more adequate laws governing that document and the rights and liabilities of the parties thereto. In that movement there were banded together a large number of shippers' organizations throughout the country and the bankers were represented by the committee on bills of lading of the American Bankers Association. At that time one bill of lading document was used for both 'straight' and for 'order' shipments, with a provision that if the word 'order' was written before or after the name of the consignee surrender of the bill would be required before delivery of goods, but if the word 'order' was not so written, delivery could be made at the option of the carrier without taking up the bill. This kind of document was especially objectionable to bankers. It was not infrequent that the holder of a straight bill of lading—one upon which he could get the goods without surrendering the bill—would fraudulently write the words 'order of and notify' upon it, thus making it apparently an order bill of lading and upon this worthless document obtain advances

to the pecuniary loss of the defrauded lender. This was very serious from the standpoint of the banker. The old kind of bill of lading was also very unsatisfactory to the shipper, as the carrier had placed many conditions and exemptions on the back of the bill that were unjust, and, furthermore, there was no standard set of conditions used alike by all carriers.

"I will not take the time to give details of this unsatisfactory state of affairs. Suffice it to say that proceedings were instituted before the interstate commerce commission, protracted negotiations followed between shippers, bankers and carriers and a final hearing was held before the commission, as a result of which the interstate commerce commission in June, 1908, recommended, and we now have in general use, two forms of uniform bills of lading, one for 'order' and one for 'straight' shipments, with the words 'order of' printed on the order form, with the words 'not negotiable' printed on the straight form and with the same set of conditions on the back of each bill which, while not all that shippers might desire, were far more satisfactory than the old conditions. So much for the progress towards improvements in the form of the bill of lading. But apart from form there was a more serious situation from the standpoint of the banker who advanced money, or the consignee who paid drafts, on the faith of the bill of lading, arising from the rule of the common law that the authority of the agent of the carrier, when he signs a bill acknowledging receipt of goods, is limited to cases where the goods are actually received; that the signing and issuing of a bill without receipt of the goods does not bind the carrier to a bona fide holder who has acquired the bill for value. This rule, it is true, does not obtain in New York state, but it is the rule more generally prevailing. When it is realized that the bill of lading has evolved from a mere contract of freightment into an instrument of credit, that the cotton crop, grain, lumber, shingles and a multitude of other products in vast amounts are shipped upon order bills of lading, and that the amounts of money annually advanced on the faith and integrity of the statements contained in such bills run into billions of dollars, it is at once recognized how serious a situation it is when a railroad can in any particular case say to the holder for value of such a bill: 'True, this bill acknowledging receipt of one hundred bales of cotton, or one hundred tubs of butter, or two carloads of shingles was signed and issued by our agent whose duty it is to sign bills of lading, but as a matter of fact we never received the cotton or the butter or the shingles. Our agent in signing and issuing this bill did so fraudulently, or he wanted to accommodate the shipper who promised to deliver the goods at the railroad station in a short time. Not having received the goods our agent of course had no authority to bind us by signing this bill, and while we are sorry that you, Mr. Banker, or you, Mr. Consignee, have paid out your money upon a

draft attached to a bill of lading acknowledging that we had the goods, we are not responsible and it is you who must suffer the loss.'"

The speaker here reviewed in detail the efforts for national and state legislation on the subject of bills of lading, and concluded as follows:

"If I may summarize the progressive steps in the bill of lading situation during the last five years, which mark an improvement over former conditions, I would say: First, in 1906, the enactment by congress of the Carmack amendment to the interstate commerce law, which has just been declared constitutional by the supreme court of the United States. Before the enactment of this amendment carriers quite uniformly put into their bills of lading provisions that they would not be responsible for loss, damage or delay not occurring on their own road or after the property had been delivered to the next carrier. The evil under this old system arose from the inability of the shipper whose goods had been lost or damaged to know which particular one of a number of connecting carriers had caused the injury. The Carmack amendment was aimed to remedy this evil by making the initial carrier liable to the shipper or lawful holder for loss or injury, caused not alone by himself but by any subsequent connecting carrier, and it made void any contrary provision in the bill of lading. It gave the initial carrier when held liable a remedy over and against the carrier in default, and it also preserved the right of the shipper to sue any connecting carrier directly if he so chose. The passage of this act has been a great boon to the shipping public while it works no hardship to the initial carrier, who is in much better position than the shipper to locate the line upon which a loss has occurred.

"The second progressive step is one I have already mentioned, namely, the recommendation by the interstate commerce commission in June, 1908, and the quite general adoption by carriers of two forms of uniform bills of lading. Thirdly, the passage in 1909 in four Western states, of a bill of lading law drafted by our bankers' committee, designed chiefly to make carriers responsible to bona fide holders for the truth of recitals in their bills of lading; followed in 1910 by the enactment in the states of Maryland and Massachusetts of the uniform bills of lading act. The subject of bills of lading in their relation to the complicated transactions of commerce is a vast one, and complete realization of the reforms in view is, of course, a matter of time. But the commercial and financial community most certainly have cause for congratulations in the decidedly beneficial progress that has already been made during the last five years, progress which has only been possible by organized effort and by an energetic campaign of education."

Total production of coal in Ohio during 1910 was 34,424,951 tons, an increase of 6,669,919 tons over the production of 1909.

Mattoon Bank Merger

First National and Mattoon National merge and will take in the Mattoon Trust Co., also. Large capital and surplus and strong staff

Mattoon, Ill., April 10.—The town has not gotten over its surprise at the amalgamation of its two leading banks—the First and the Mattoon Nationals—into one powerful financial institution with strong capital and a working force of sixteen men. The whole matter was concluded between Wednesday and the close of last week. President C. E. Wilson of the Mattoon National retires and L. L. Lehman of the First will be president of the new bank. Both banks will be liquidated and a new name for the future. Probably the First's valuable numeral title will be taken. It was as much of a surprise to the bank employees as it was to the public at large. The amalgamation will be completed on or before July 1st. The exact steps to be taken in accordance with the federal statutes are not yet known. At meetings of directors of each institution held last Wednesday, the officers were instructed to call special meetings of the stockholders on a date to be fixed later. By that time the method of procedure will be known definitely.

The organization of the new bank is yet indefinite. It will occupy the magnificent new bank building erected by the Mattoon National, will have a capital stock of \$150,000 with an equal surplus and will be a complete unity of the interests of both banks. The deposits will aggregate nearly \$1,500,000, being the strongest and greatest bank in this part of the state of Illinois.

Two material desires led to this deal. One was the ambition of the First National to secure a site for a building or a building commensurate with its growing needs. Another was the imperative retirement of President Wilson, whose health is suffering under the strain of long service and a never-ceasing tendency to work with close personal touch in all departments of his bank.

That strategic maneuvering, coupled with characteristic business diplomacy has been used is self-evident, for these two banks have been rivals in the financial field for years. In point of chronology, the nail that clinched the deal was driven before President Lehman went to California last January, and since that date the details have been worked out rapidly.

The first step that has made possible this deal came when President C. E. Wilson announced a willingness to dispose of his bank stock so that he might retire. The result was a contract for the sale of his holdings to George W. Parker of St. Louis, also a heavy stockholder, the stock to be delivered upon request.

Associated with Mr. Parker were R. S. Hodgen of Charleston and President Lewis L. Lehman of the First National of Mattoon. Negotiations between President Lehman and Mr. Parker were opened and an agreement to the amalgamation was entered into. Mr. Lehman then went West, leaving Vice-President George S. Richmond and Cashier W. H. Ownby to work on the details. Correspondence to a small extent passed between Mr. Parker and Mr. Lehman while the latter was in Los Angeles. While there Mr. Lehman was given a blue print plan of the banking floor of the Mattoon National building, and mindful of the coming needs, he suggested some minor changes that have been made.

Upon his return it was determined to inaugurate the legal evolutions attendant upon the process. Investigation showed that only the

comptroller of the currency of the United States could dictate, and to his office communications have been sent. At meetings of the directors of the banks—the Mattoon National at two o'clock Wednesday afternoon, the First National at seven o'clock Wednesday night—resolutions were passed authorizing the presidents to notify the comptroller of the intention and to call special meetings of the stockholders



Elegant New Home of Amalgamated Banks

at a date to be fixed by them, when word has come from the comptroller.

The plan of President Lehman is to liquidate both banks. This means that the stockholders will be paid back the worth of their stock. This return will be made at the book value of the shares at the time of liquidation. At present the book value of First National bank shares is \$230 per share; of the Mattoon National about \$360, due to a larger surplus compared

to capital stock. This will end the existence of the corporate bodies of the banks.

Simultaneously a new bank whose name is not yet determined will open. It will have a paid capital stock of \$150,000, and will open with a surplus of \$150,000. Stockholders of the Mattoon National bank will receive cash to offset the additional book value of their shares as compared with the First National shares. The new bank will assume the liabilities of both banks and likewise their assets, which, incidentally mentioning, includes the two bank buildings now occupied.

Gathering information from the latest statements of condition given publication, it is shown that the new bank will have deposits of \$1,416,307.18. This amount is subject to change daily and will probably exceed a million and a half. The last statement showed the First National with deposits of \$903,042.38, the Mattoon National with \$513,264.80. The Mattoon National carries a surplus and undivided profits more than equal to twice the amount of its capital stock. In this connection it is interesting to note that one of the best advanced advertising features of this bank has been "two dollars laid by for every dollar of its capital, to protect its clients." The bank stood seventh in the United States and second in Illinois on the roll of honor. The surplus of the First National is fixed at \$130,000, equal to its capital stock.

The staff of the new bank will consist of the staffs of both banks combined—save that President Wilson retires. This will make a working force of sixteen men remarkable for a city the size of Mattoon. There will be two paying tellers, one now with the Mattoon National Bank, one with the First National Bank, and one receiving teller, the departments to be separate. Then there will be a receiving teller to relieve the active man and two tellers to relieve the active paying tellers. By this method a greater number of patrons may be accommodated in shorter time.

The line up of the official staff of the new bank is not determined. President Lehman of the First will be the active head; that is settled. The directorate will be made up of the directors of both banks.

The new bank takes over also the Mattoon Trust Company, recently organized by the Mattoon National. It will operate this upon slightly different plans in the same space set aside for it in the new building.

The two deserted bank buildings will be sold. For the business of both banks will be conducted wholly together and the problems that have faced the heads of both institutions are solved to the entire satisfaction of each.

The First National was organized in 1865 and the Mattoon National in 1874. Both have been successful and influential institutions. Mattoon is very proud of the splendid new bank building and of her enlarged banking powers.

CHICAGO SAVINGS BANK.

President Teter announces an increase in the capital stock of the Chicago Savings Bank. The increase is \$500,000 and the additional stock has been fully subscribed at 120. This makes the capital of the bank \$1,000,000. Vice-President Hubbard of the Chicago Telephone Company and Secretary Thompson have been elected directors.

To Net 6 Per Cent.

We offer at par and interest a Two Year 6% Secured Note of a prosperous public utility company operating in ten rapidly growing communities. The security for these notes represents an actual cash investment equal to 165% of the total issue.

Ask for our Circular C-831

Guaranty Trust Company of New York

28 Nassau Street

Capital \$5,000,000	Surplus \$18,000,000
Deposits -	\$133,000,000

ILLINOIS BANKING NEWS

By C. C. Burford

The death of Vinton E. Howell, formerly president of the Corn Belt Bank of Bloomington, removes a figure which has been prominent in Central Illinois banking circles for many years. Mr. Howell was one of the stockholders of the Corn Belt when it was organized in 1891, was elected president the next year and remained in this position until November, 1910, when he retired because of ill health.

Mr. Howell served three years in the Union army during the Civil War and afterwards followed farming and stock-raising in McLean county with great success. He was elected sheriff of McLean county in the late eighties and served four years. He was a Republican and a state senator from 1892 until 1896. His son, Frank A. Howell, is at the present time assistant cashier of the Corn Belt Bank.

Legris Organizes New Bank

The resignation of H. J. Legris, cashier of the First National of Kankakee, was noted a few weeks ago in THE CHICAGO BANKER. At the time of his resignation it was announced that Mr. Legris was to enter other business lines. It seems that the present activity of Mr. Legris is directed toward the organization of a new state bank in Kankakee to be known as the American State and Savings Bank. A permit to organize this bank with capital stock of \$100,000 has just been issued by State Auditor McCullough to Mr. Legris, Otto Weber, and A. B. Trudeau.

Other New Banks

Freeport is also to have a new state bank to be known as the Galena Street State Bank. A permit to open this bank has been issued to Messrs. George Lawyer, Thomas Wohlford, and Henry Spelman. The capital stock will be \$100,000.

The Cervenka and Klicka State Bank of Morgan Park has also been granted a state charter, the incorporators being Joseph Klicka, Harry M. Neben, and James Cervenka. The capital of this bank will be \$100,000 also.

The village of Saunemin, near Pontiac, will have a new state bank. Michael Ferch, J. B. Edward, and John A. Berry, are the organizers of this institution which will be capitalized at \$25,000.

Bank Charter is Extended

The New Farmers State Bank of Mason City has been granted a charter to continue the business of the Farmers State Bank of that town. The capital is \$90,000 and the business of the old bank will be carried along by the officers and directors of former institution. John Freeman is the president, J. J. Ainsworth is vice-president, and W. E. Ainsworth is the cashier. Merchants Loan and Trust of Chicago, Central National of Peoria, and National Park of New York, are the correspondents of this bank.

Illinois Notes

The Peoples Bank of Bloomington has its new building so nearly completed that the office rooms are now offered for rent.

"The directors of this bank direct. A trained corps of officers and assistants guarantees a

thoroughly high-class service in every department." This is some of the good advertising of the Central National of Peoria. The first part is especially good.

A farm of 160 acres near Towanda, McLean county, has recently been sold for \$43,200 or \$270 an acre. Delivery of the farm will be made March 1, 1912.

A. M. Augustine, the well-known nurseryman of Normal, says: "We never have had before more magnificent prospects for a good fruit season than we have at the present time. I do not think that it has been cold enough in the southern part of the state to result in injury."

The oil fields of Illinois produce annually about 34,000,000 barrels of oil from 18,500 wells.

GROWTH OF SOUTHERN BANK

Chattanooga has at least one million-dollar bank. It is the Hamilton National.

At a general meeting of the shareholders it was voted to ratify the recommendation made by the directors about one month ago to increase the capital stock to \$1,000,000. This action will take effect June 1st.

The price quoted to the old shareholders is 140, while the new subscribers to stock will be required to pay 150. The Hamilton National will thus be given a capital stock of \$1,000,000 and surplus and undivided profits of approximately \$500,000. It becomes the second largest bank in the state.

Another important item of business transacted at the shareholders' meeting was a decision to repurchase the banking property at Seventh and Market, where the skyscraper is now approaching completion. This property was taken over nearly a year ago by the Hamilton Safe Deposit Company, a corporation formed for the purpose of erecting and holding the fifteen-story building that is now nearly ready for occupancy. After June 1st the Hamilton National Bank will own this property and it will be free from incumbrance.

GETS NATIONAL CHARTER

The Citizens Bank of Pukwana, S. D., after nineteen years of existence has been made the First National with \$25,000 capital. The old management will continue. Officers are: President, H. R. Sanborn; cashier, J. S. Sanborn; assistant cashier S. S. Stowell. Mr. Stowell has been with the bank eleven years.

YEGG LAW PASSED IN KANSAS

The legislature of Kansas at its recent session passed the American Bankers Association measure for punishment of burglary with explosives fixing the term of imprisonment from ten to thirty years. Since the first of last September there have been no less than fifteen attacks on banks in Kansas by yegg burglars, in ten of which the burglars were successful in robbing the bank, while the remainder were attempted burglaries. It is a striking fact that of all these crimes, only one was perpetrated upon a member of the American Bankers Association, the attacks in fourteen cases being upon non-members. This record of crime indicates the necessity for the law which has now been passed. There are other states which have not yet enacted this law where yegg burglaries also have been perpetrated in considerable number and the record of such crimes should be a most potent argument with the legislatures of such states to do what they can to protect bank property by passing the yegg law. Crimes of yeggmen, while decreasing so far as members of this association are concerned, seem to be increasing in other directions and there should be the most stringent laws against this class of criminals.

BANKRUPTCY FOR CARNEGIE TRUST OFFICIALS

New York, April 12.—An involuntary petition in bankruptcy was filed here to-day against William J. Cummins, president of the failed Carnegie Trust Company and now under indictment. The liabilities are given as \$5,000,000 and the assets as worth \$400,000. Payson Merrill was appointed receiver with a bond of \$100,000.

The petitioning creditors are Hermann C. Brewster, with a claim of \$30,000 for money loaned; Herbert Hatfield, \$9,600, money loaned and James S. Watson, \$80,000, money loaned. They allege preferential payments and transfer of property while involunt.

Other petitions in bankruptcy were filed against Charles Arthur Moore, Jr., a director of the Carnegie company, and Martin J. Condon, also a director. The liabilities of Moore are given at \$2,000,000, with assets of \$100,000, and of Condon, \$6,500,000 and \$500,000.

F. E. FARRELL	Established 1864	E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers		
Successors to First National Bank		
JACKSONVILLE, ILL.		
ACCOUNTS AND COLLECTIONS SOLICITED		

GUARDIAN TRUST COMPANY OF NEW YORK	CAPITAL & SURPLUS
	\$1,000,000
	Pays a rate of interest consistent with good banking

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Commercial Paper
137 South La Salle Street Chicago
Correspondence Invited

MOLINE ILLINOIS	Peoples Savings Bank & Trust Co.	MOLINE ILLINOIS
	Capital and Surplus \$300,000	
	Deposits over \$3,000,000.00	
	Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms	
WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.		

Fidelity and Forgery BONDS	National Surety Company	Joyce & Company (Incorporated) General Agents
Burglary Insurance	ILLINOIS ADVISORY BOARD Charles G. Dawes, Resident Vice-President A. J. Earling David R. Forgan Walter H. Wilson John A. Spoor S. M. Felton George M. Reynolds	The Rookery Chicago

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,430,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President

Henry B. Bartow, Cashier

John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

Deposits over - - - 24,000,000

OFFICERS

L. A. GODDARD, President

FRANK I. PACKARD, Asst. Cashier

JOHN R. LINDGREN, Vice-President

C. EDWARD CARLSON, Asst. Cashier

HENRY A. HAUGAN, Vice-President

SAMUEL E. KNECHT, Secretary

HENRY S. HENSCHEN, Cashier

WILLIAM C. MILLER, Asst. Secretary

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IN CINCINNATI

With Resources of **TWENTY-FIVE MILLION DOLLARS**

And every facility for the satisfactory handling of Bank Accounts

CORRESPONDENCE INVITED



Guaranty Tangle

The failure of the Planters and Mechanics Bank of Oklahoma City April 6th has brought the bank deposit guaranty troubles of Oklahoma to a critical stage. This is the second failure of a state bank in Oklahoma since the closing of the Columbia Bank and Trust Company in September, 1909. Bank Commissioner Lankford and Fred G. Dennis, members of the state banking board, stated that the failure of the Planters and Mechanics Bank was due to bad loans and poor management upon the part of former officers and directors. The bank had a capital of \$50,000, deposits of \$200,000 and \$250,000 outstanding loans. The present officers of the bank are A. M. Gustin, president; A. L. Norfleet, cashier. Nick M. Ellis, former cashier, is under a \$3,000 bond on a forgery charge having been arrested two weeks ago on complaint of the banking department.

It is impossible to state what effect this failure will have upon the already depleted state guaranty fund. The profound secrecy that has been maintained as to the true condition of the guaranty fund makes it impossible to state just how much available cash is on hand, but two months ago it was said to be only \$12,000 in cash with a lot of doubtful securities. If the state banks will be called upon to make up a substantial deficit, there is no doubt that some of them will be forced to go out of business.

Since the bank guaranty law went into effect about three years ago more than \$1,000,000 has been collected from less than 700 state banks. One of the authors of the bank guaranty law remarked recently that within seven months there would not be 200 state banks left in Oklahoma, whereas there were 690 on March 1, 1911.

In all probability the Oklahoma state banking board will bring suits to collect special assessments which some fifty former state banks have attempted to escape by taking out national charters. As these banks are no

longer under state control they claim that the state no longer has any control over their assets and cannot force the payment of the assessments. There is no way that the state can prevent state banks from becoming nationalized and thus escape the payment of guaranty assessments. There is strong probability that this is the beginning of long and expensive litigation on which the ultimate fate of the Oklahoma bank deposit guaranty law rests.

FOREIGN EXCHANGE MARKET

Discounts in London have risen during the week to $2\frac{1}{2}$ per cent for 60 and 90 days sight bankers' bills, while rates in Germany and France remain unchanged at 3 per cent and $2\frac{1}{4}$ per cent, respectively. Sterling demand is quoted at $4.86\frac{3}{8}$; 60 days' sight $4.84\frac{1}{4}$; check on Germany $95\frac{1}{8}$ less 1-32; 60 days' sight on banks 94 9-16; check on France, 5.20; 60 days' $5.21\frac{7}{8}$.

A NOVEMBER CONVENTION

From latest information it appears that the A. B. A. convention will go either to San Antonio, Tex., or New Orleans, and in either case will come the second week in November. Col. Farnsworth was in the city this week, but was non-committal.

CINCINNATI BANK CLOSED

Cincinnati, Ohio, April 13.—The Deposit and Commerce Bank of Cincinnati went into voluntary liquidation after its books had been inspected by its board of directors. Its affairs were immediately turned over to F. E. Baxter, state bank examiner. It was announced by the president, W. A. Hopkins, that all depositors will be protected and paid off dollar for dollar. Any loss that is sustained will be borne by the stockholders. Mismanagement is the reason given for the failure, but the amount involved is said to be small.

Directors and officers of the Western Electric Company have been re-elected.

Banking Opinion

Frank A. Vanderlip, who has returned to New York after a trip to Seattle, took occasion while here to discuss currency reform. He enthusiastically advocated the plan for a central reserve association.

In the event that such a bill should become law, Mr. Vanderlip predicted that approximately half a billion dollars, now tied up, could be used in making loans on discounts.

"Under this proposed bill," said Mr. Vanderlip, "the banks would be permitted to deposit with the central reserve association all that part of the present reserve kept in the vaults that they desired."

"It would result in banks loaning more money on commercial paper, and, in inverse ratio, would withdraw money used in stock speculation."

Asked how the law would effect that end, he explained that accepted notes would then become liquid assets in much the same manner as call loans are now, as such notes could be turned into the central reserve association, and there used as a basis of note circulation.

"When the borrowers of this country," said Mr. Vanderlip, "understand the full import of the proposed law, they will be insistent in demanding its passage."

With such an association in existence, Mr. Vanderlip predicted that panics would be impossible, on the theory that all commercial paper held by the banks would be liquid securities immediately convertible into cash, and on the further theory that the sacrifice of securities in such cases being obviated, the act of realizing cash would not then, as now, promote the speed of the panic instead of staying its course.

He explained that the term "accepted notes" meant commercial paper accepted by one national bank and rediscounted at other banks. By the time these notes reached the central reserve association they would bear the indorsement of every bank through which they passed.

Further Mr. Vanderlip indicated that where

WILLIAM J. BURNS, President
Formerly U. S. Secret Service
Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

THE WILLIAM J. BURNS NATIONAL DETECTIVE AGENCY, Inc.

Representing American Bankers Association
General detective work of a high class guaranteed

WE SUCCEED WHERE OTHERS FAIL

We make the same rate for Bankers' private work
as that charged the American Bankers Association

NEW YORK, 21 Park Row

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Los Angeles

CHICAGO, 810 First National Bank Bldg.

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St. Louis

Denver
Oklahoma City

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National Bank of Commerce in New York

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over **\$40,000,000.00**



a merchant might approach a bank for a loan, and the bank be fully loaned up, the bank could assist his client by accepting the note when it would be negotiable at any national bank having loanable funds.

Mr. Vanderlip explained that the central reserve association would be free from any political or selfish financial interests.

Cheerful over Outlook

Bankers of the Central West have not felt the business revival which is due with the beginning of the cattle feeding season, but there is no anxiety whatever on that score. The weather has retarded cattle operations materially and these same rains are insuring bountiful harvests later on.

"I consider the outlook not only hopeful but decidedly cheerful and encouraging" said Walton H. Holmes, president of the Pioneer Trust Company of Kansas City to a representative of THE CHICAGO BANKER. "There is not much demand for money, yet there is no cause whatever for alarm. Last year was a record breaker in this respect and I think it is just as well that financial operations should be upon a more normal basis. Deposits are very satisfactory and general business as reported to the banks is good. I look for a season of abundant crops and our usual prosperity in this part of the country."

Looks for Better Money Market

Vice-President Moulton of the Corn Exchange National Bank says: "We never follow money rates all the way down or up, and to-day we are getting $4\frac{1}{2}$ per cent on most loans, with 5 per cent on a good many of them. We do a big business on Board of Trade collateral. I believe the general tendency of money is upward rather than downward."

Boost for Montana

Bound from New York for his home, Wilford J. Johnson, cashier of First National of Lewistown, Montana, waved Montana's opportunities before the Twin City people in inter-

views, suggesting that they should seize them eagerly. He says business is good and the crop outlook excellent.

"If the Twin Cities will keep an eye on Montana," said Mr. Johnson, "they will see something in the way of wholesome development that will surpass even that of the intermediate country, which has been wonderful.

"If we could get into the minds of the people the geographic relation between the rich country of the Judith basin of which Lewistown is the center, and these big cities, it would be seen there is a great opportunity out there.

"Lewistown, the center of one of the most fertile valleys in the world, which had good crops last year, is almost as far removed from Helena and Butte, from the standpoint of railway travel, as it is from Minneapolis. This may seem like exaggerated statement, but Montana is a big and mountainous state and it is substantially true. I think that the development of Montana in the next five years will astonish the East. The character of the state will change with the increasing influx of Eastern moneyed men. Lewis and Clark, when they came up there a hundred years ago, saw the beauties and rich productive possibilities of the country but in later development it became thought of generally as a mining and grazing state. Its agricultural possibilities were not understood until within recent years."

BANKER IS KILLED

Sylvania, Ga., April 13.—Escaping unharmed, though three loads from a repeating shotgun had been sent at him, C. E. Lee, a planter of this county, this afternoon sent three bullets into the breast of L. P. Hilton, president of the Screven County Bank, member of Sylvania City council and one of the wealthiest men of this county. Hilton was dead in five minutes.

H. W. Eddy has succeeded John G. Reid as vice-president in First National of Juneau, Alaska.

TELLS OF SOUTHERN INDIANA

Murray S. Wilson, cashier of Borden State Bank, Borden, Ind., was a visitor at Fort Dearborn National the fore part of the week. The town of Borden is the center of a wealthy and interesting agricultural section, where the principle of intensive farming has raised the value of land to a high level. The chief product in that neighborhood is strawberries and the growers supply the markets of Louisville, Indianapolis, Cincinnati and Chicago. It is no uncommon thing for farmers to clear \$200 an acre from their strawberries, and in some cases men have refused \$500 an acre for their land, although in other sections of the state good farms are selling at \$100 an acre. This shows the difference between modern and old-fashioned customs in managing a farm. Mr. Wilson is an enthusiast on the advantages of Southern Indiana.

NEW COUNTERFEIT BILLS

New York, April 13.—W. H. Moran, acting chief of the secret service here, has sent out a warning to banks, business houses and ticket offices to keep a strict lookout for two new counterfeit bills which have been discovered in circulation.

One of the counterfeit bills is a \$20 national bank note on the United States National Bank of Los Angeles, Cal., check letter "B," series of 1902-1908. There are many mistakes in the lettering on the bill, the word "national" being spelled with a final "i" instead of an "l," and cashier being spelled "casher."

The other counterfeit is a \$10 United States note, check letter "C." The back of the note is reddish brown instead of green. Neither counterfeit, according to Moran, should deceive the ordinary careful handler of money.

FORT DEARBORN'S CAPITAL

From May 5th, Fort Dearborn National's capital will be \$2,000,000, the directors this week having voted the half-million increase.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

During the past week there appears to have been a considerable renewal of activity among iron and steel manufacturers and promise is now held out that Milwaukee manufacturers will be able to operate full time and full handed during the summer months.

At the various banks there has been an active demand for loans but according to a number of bank officials this demand is not above normal for this time of the year. Collections are reported as satisfactory. Country bankers anticipate unusually good crop returns this year and are carrying healthy balances in their city depositories.

Bond trade has been good thus far this month and salesmen who have been spending much of their time out-in-state say that there is every indication of a good trade throughout the summer months.

Work Started on Milwaukee Bank

Work has been started on the North Avenue State Bank, Milwaukee, and it is believed that the building will be ready for occupancy by August 1st. The bank is capitalized at \$50,000 and was incorporated February 11th. The new North Avenue Bank is to be two stories in height and 30x70 feet. It will have a terra cotta front and will be modern in every respect. The structure will cost approximately \$10,000. The contract for the building has not been let but it is expected that the directors will announce the name of the successful bidder within a few days.

The stockholders in the new bank are all

merchants and business men of the northwest side of the city. Fifty shares was the limit allotted to any one person and no difficulty was encountered in placing the stock. The following have been named directors: William F. Coerper, William C. Garens, George Klippel, Otto A. Hensel, George Bauldauf and Richard Wittenberg. Officers will be elected within the next few weeks.

Work has also been started on the Home Savings Bank and is progressing satisfactorily, the officers expecting to be able to open the bank by May 1st. The bank will be a one story building with Bedford stone front, 20x80 feet, and will cost about \$15,000. The interior will be finished with ornamental tile, mahogany fixtures and ornamental stucco ceiling. An ornamental glass skylight will furnish interior light. Faustin Prinz is president of the new bank and Michael B. Wells, now with the First National Bank of Wauwatosa, will be cashier.

No Postal Deposits for State Banks

Judging from the continued applications filed by the state banks of Wisconsin for postal fund deposits, many bankers are not yet aware that no Wisconsin bank is eligible for such deposits. The politicians at Washington were far-sighted enough to know that the Wisconsin banking law, and doubtless of many other states, prohibits state banks from depositing such bonds as are required under the postal bill as security for any deposit, such security being termed a "preference."

Provision for surety company bonds was

originally made in the postal bill, but eliminated at the last moment, thus limiting the postal deposits in this state to national banks. Secretary Bartlett, after consulting with Banking Commissioner Kuolt prepared an amendment to the present state banking law to permit state banks to qualify as depositories of postal funds.

Cashier Pullen Resigns

Charles F. P. Pullen, cashier of the German-American Bank of Milwaukee, has resigned and the resignation has been accepted. About one year ago Mr. Pullen was severely ill and has never completely recovered his health. He will leave for Alabama where he expects to spend several months on his plantation.

Mr. Pullen was one of the founders of the bank and has been connected with it as cashier during the fifteen years of its existence. It is reported that Edward A. Farmer, present assistant cashier, will be promoted to the vacancy thus created.

The following resolutions of regret were passed by the board of directors: "Whereas—Owing to the state of his health, Charles F. P. Pullen has found it necessary to retire from all strenuous business activities and to tender his resignation as cashier of the German-American Bank, be it resolved, that we, the directors of the German-American Bank, in accepting the resignation herewith tendered express our deep sense of regret in losing a valuable bank official and an agreeable business associate; that we recognize in Mr. Pullen not only one of the



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The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

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JOHN CAMPBELL, Vice-President
F. X. BODDEN, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch
J. H. TWEEDY, Jr.
GUSTAV RUESS

J. H. PUELICHER, Cashier
H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

founders of this banking institution, but also one to whose fidelity and zeal is due in a large measure the present commercial importance of same; that we earnestly hope for a speedy recovery to his former health and physical strength; that in departing from the bank we extend to him our sincere well wishes for success in all future undertakings and activities."

Purchase Causes Speculation

The recent purchase of the property at 289-291-293 East Water Street, Milwaukee, by Grant Fitch, vice-president of the National Exchange Bank, has caused not a little speculation as to whether it was the intention to eventually move that institution to the location of the new purchase. The consideration paid for the property is said to be about \$125,000. It has a frontage of 60 feet and 120 feet depth. Mr. Fitch admits that he has purchased the property but refuses to disclose future plans.

If this has ostensibly been purchased for the National Exchange Bank it will add another of the city's largest financial institutions to what has already been termed "Bankers' Row" in Milwaukee. It is only a few hundred feet south of this that the Wisconsin National Bank is located and also the Wisconsin Trust Company. Just a trifle south is the site of the new home of the Marshall and Ilsley Bank while still further south is the proposed location for the new First National Bank and First Savings and Trust Company buildings. The Marine National and the Milwaukee National banks are only a few doors north of the Fitch purchase while within the two blocks thus embraced there are already a number of bond and brokerage houses.

Oshkosh Bank to Select Plans

Plans for the new building to be erected by the State Bank of Oshkosh will be selected at an early meeting of the board of directors. Specifications will be made without delay and building operations started at once so as to complete the structure before the winter months. A two story building of Oshkosh stone will be erected with a frontage of 36 feet. The structure will be 80 feet in depth.

Edgerton First National Entertains

The directors of the First National Bank of Edgerton gave a dinner recently to the subscribers to the additional stock in the bank. By a recent reorganization the capital is increased from \$25,000 to \$50,000 which has been placed among Edgerton investors. Covers

were laid in the banquet hall for thirty-seven and an excellent menu served. The affair gave the new stockholders an opportunity to meet the officers in a social as well as a business way. The full reorganization will be announced when the necessary papers are received from Washington.

New Bank at Valders

Commissioner of Banking A. E. Kuolt has approved the charter of the Valders State Bank at Valders, Manitowoc county. The new institution is to have \$10,000 capital. Otto C. Berge is president and George Renther, cashier.

New Bank Elects Officers

Frank E. Neff of Castle Rock is the president of the new Farmers and Merchants Bank of Muscoda; Ed Schwingle, vice-president, and Ben L. Marcus, cashier. The other directors are William Victorio and Frank Pospichal. The bank is to open for business June 1st. There are fifty-five stockholders.

Hayward Bank Holds Election

At the adjourned meeting of the First National Bank of Hayward the following officers were elected: President, Edward Hines; vice-president, T. S. Whitten; cashier, H. E. Rohlf and assistant cashier, E. E. Rohlf. The directors in addition to the foregoing are J. W. Cochran, Ashland; J. H. Hellwig and J. F. Riordan of Hayward.

Missouri Bankers

Secretary W. F. Keyser, of the Missouri Bankers' Association, has made public the program of the twenty-first annual convention which, as heretofore announced, will take place in Kansas City, Mo., on May 24th and 25th. The various sessions will be held at the Willis Wood Theatre and the headquarters of the delegates will be at the Hotel Baltimore.

President A. O. Wilson will call the convention to order on the morning of May 24th. The address of welcome will be by Darius A. Brown, Mayor of Kansas City. On behalf of the Kansas City Clearing House Association, President J. F. Downing will welcome the visitors. President Wilson will respond and will also at that time deliver his annual address.

Secretary W. F. Keyser and Treasurer R. R. Calkins will next read their annual reports; E. R. Gurney, vice-president of the First National Bank of Fremont, Neb., will deliver an address, after which reports of group chairmen will be heard, and group meetings held.

In the evening the Missouri-Kansas joint meeting will be held, as has been stated before. The men scheduled to speak at the joint meeting are J. F. Downing, president of the Kansas City Clearing House Association; the Hon. David R. Francis, vice-president of the Merchants'-Laclede National Bank, St. Louis, Mo., and ex-governor of Missouri; the Hon. W. J. Bailey, vice-president of the Exchange National Bank, Atchison, Kan., ex-governor of Kansas; the Hon. Franklin MacVeagh, Secretary of the Treasury, and F. O. Watts, president of the American Bankers' Association, Nashville, Tenn.

During the second day's session of the Missouri convention, Judge Charles E. Lobdell, president of the First State Bank of Larned, Kan., will deliver an address; William N. Burgess, El Paso, Tex., will speak on "International Commerce," and Judge I. P. Ryland, of Kansas City, will also speak on a subject to be announced later.

The Kansas City Clearing House Association has under way arrangements for a very elaborate entertainment.

J. J. RAHLF JOINS WOLLENBERGER

J. J. Rahlf, heretofore manager of the foreign exchange department of Western Trust and Savings Bank, has been admitted as a partner in the firm of Wollenberger and Company.

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SURPLUS \$2,500,000

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G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

Quietness, but withal the quietness of health, was again the predominating feature in the St. Louis monetary situation throughout all of last week. The banks are unanimous in agreeing that things are not brisk, but the lack of activity is not extreme, nor of the character followed by still further depression. General business is moving along well enough in a routine way, but the volume is not sufficiently large to produce a demand for funds which would be calculated to sharply reduce available cash in vaults of the financial institutions.

Money continues plentiful, and banks specializing on southern business say the demand from that quarter thus far this season has not been up to expectations. It is the consensus of opinion that the year will be a quiet one, one of "wholesome rest" as one banker put it. The near future does not hold out any promise for an increased inquiry for funds, but at least the present pace will be maintained. The nearest relief is the expected activity which will develop as a result of good crops. Throughout the entire winter wheat belt prospects are fairly ideal, almost the best on record for this period. While the government on the April 1st condition showed only 83.3 per cent of normal, marked improvement has taken place since that date, owing to seasonable temperatures and abundant moisture. Reports from all sections are favorable. For instance out in West Texas, where a crop has not been raised for years, the plant is knee high and thriving.

This has had a tendency to stimulate confidence in the Middle West, and a canvass of the Washington Avenue wholesale district developed the information that business continues to gradually expand, showing less timidity than at any time since the last panic. Confidence seems to be taking root with country merchants, and is communicating itself by induction to the manufacturers.

No Successor to Doerr

As yet no successor has been named to Peter J. Doerr, president of the Lafayette Bank, who died suddenly of heart disease last week. It is not known when a new president will be chosen, as the directors of the bank are uncommunicative on that subject. Most of the directors are old men, who have served with the bank for years, and, it is rumored, none wishes to succeed to the presidency owing to sentimental reasons. Henry Ziegenhein, who preceded Peter Doerr, also died suddenly of a heart stroke. No one was appointed on the directory to succeed Mr. Ziegenhein, so that now the local banking fraternity begins to wonder if the little circle will be allowed to contract until none is left. The Lafayette Bank is

unique among St. Louis financial institutions. Its shares are the most costly, as the last official bid was \$900, but this offer failed to bring out any stock. The holders simply will not sell, neither will they buy. The annual dividend is at the rate of 40 per cent, payable in two installments. The deposits are about \$5,000,000, the capital stock \$100,000 and the surplus and undivided profits close to \$1,000,000. The clientele is largely German, and though the bank is one of the oldest in the city, it is said that money is on deposit there which has never been withdrawn since the first year of the bank's existence. The institution has the reputation of being ultra conservative.

Heavy Tribute has been Paid

Many deaths among bankers have occurred in St. Louis within the past year or two. Besides Henry Ziegenhein and Peter Doerr, presidents of the Lafayette Bank, there were Rufus J. Lackland, president of the Boatmens Bank; G. W. Garrels, president of the Franklin Bank; John Wahl, president of the German Savings Institution; W. B. Wells, vice-president of the Third National and a little further back J. C. VanBlarcon, president of the National Bank of Commerce.

New Trust Company Planned

The National Bank of Commerce is completing plans for a new safe deposit and trust company, which will occupy the new building at Broadway and Pine streets. Both trust company and safe deposit company will be adjuncts of the bank and controlled for the bank stockholders by trusteeship. The plans have been discussed for some time by the officers and executive committee.

Banks Get Tax Reduction

St. Louis bankers are rather jubilant over the local board of equalization's decision to reduce taxation of banks and insurance companies from a basis of 55 per cent to 50 per cent

on their returns. This action was taken following a vigorous protest of the banking and insurance interests of the city. The direct cause of the reduction was an opinion by the city counselor upholding a recent decision of the state board of equalization setting the basis for all banks in the state at 50 per cent. Assessor Brinkop was of the opinion that the local board did not have to confirm the decision of the state board, and with his well known propensities for energetic assessment, leaned in the direction of the higher rate. However as the banks doubtless would have carried the matter into the courts, and caused costly and long litigation, the members thought best to let it go at 50 per cent. Many members of the board were in favor of the reduction anyhow, as it would put the St. Louis banks at a decided disadvantage with those of other cities of the state.

Depositors are being Paid

Advices from Oklahoma City are to the effect that the state banking board has practically completed the paying of all depositors in the failed Planters and Mechanics Bank who were at all insistent for their money. Less than \$50,000, it is stated, has been called for of a total of \$213,000 deposits since the suspension last week. Most of the larger depositors seem to be satisfied that they will eventually receive their money and are willing to wait until such time as the assets can be realized upon. This, if true, will serve to prevent further depletion of the guaranty fund, the exact amount of which even the bank commissioner claims not to know. The Planters and Merchants Bank was taken over by the commissioner last Thursday. Poor management is the only cause assigned for the embarrassment. On March 7th the assets were \$323,747, and the undivided profits only \$100.48, though the capital stock was \$50,000. The officers are A. Gustin, president; A. L. Norfleet, cashier.

Total Returns were Heavy

The banks of St. Louis, together with corporate and insurance companies returned to the city assessor a total taxable amount of approximately \$83,000,000. Under the law that official was bound to send to the state board this full amount and report also a taxation at the rate of 100 per cent. The state board usually approves the assessment and it is returned to the city for equalization locally. For years the banks have been paying 55 per cent on their returns, but when the report came back from the state board this year the \$83,000,000 had been cut to \$41,892,000, and this latter amount will stand. Among the bankers

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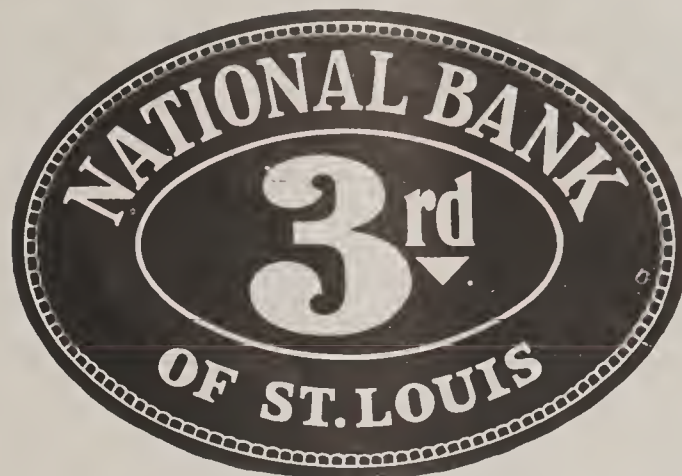
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Alfred M. Bull	- - -	Vice-President	Henry C. Hooley	- - -	Assistant Cashier

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG, President
T. WRIGHT, Vice-President
G. W. GALBREATH, Cashier
J. R. COOKE, Assistant Cashier

D'A. P. COOKE, Assistant Cashier
R. S. HAWES, Assistant Cashier
H. HAILL, Assistant Cashier
E. C. STUART, Assistant Cashier

who appeared before the board were Charles H. Huttig, president of the Third National; Walker Hill, president of the Mechanics-American National; John Nickerson, vice-president of the National Bank of Commerce; J. F. Shepley, vice-president St. Louis Union Trust; George W. Carter and W. F. Wilson of the Mercantile Trust and John D. Davis, vice-president of the Mississippi Valley Trust. Last year the rate of taxation for St. Louis was \$2.22 on the \$100 valuation. In fact ever since the abandoning of the scheme to take over the Commonwealth Trust. At the time it was decided to erect the new sixteen-story building on Broadway, announcement was made of the intention to form trust and safe-deposit annexes. The safe deposit plant will be opened soon, but just when the trust company will be formed has not been determined. Two ideas have been considered. One contemplates employing part of the bank's capital in the trust company, and the other using part or all of the surplus.

Walker House Sells Bonds

G. H. Walker and Company has announced that they have sold all but about \$200,000 of the \$1,188,000 of equipment bonds, issued by the American Refrigerator Transit Company, which owns and operates the refrigerator cars of the Gould railroads. The securities were sold, practically, as soon as they were offered in the market.

Insurance Deal Closed

Arrangements have been made between the Missouri State Life Insurance Company of St. Louis and the Southern Surety Company of Muskogee, Okla., whereby the latter company acquires the accident and health department of the Missouri State Life. General offices will be opened here in the new National Bank of Commerce Building.

MISSOURI ADOPTS BANK PROTECTION LAWS

The Missouri legislature has passed two of the bills recommended by the American Bankers Association.

They are the act to punish the making or use of false statements to obtain credit and the act to punish derogatory statements affecting banking institutions. Certain other bills were passed by the Missouri legislature affecting the financial institutions of the state. One of these is a measure increasing the rates for ex-

inaminations of Missouri state banks and trust companies—a law designed to put the state bank department upon a self-supporting basis. Another law provides for the incorporation of mortgage loan companies with power to loan money on real estate in Missouri only and to issue debentures thereon equal to 90 per cent of the first mortgage loan, with restrictions and limitations; providing also that these companies shall be subject to the examination and control of the bank commissioner, the same as are banks and trust companies.

Bids on \$150,000 Minneapolis park bonds at 4½ per cent interest will be opened May 4th. These are the first city bonds to be advertised at the advanced rate authorized by the legislature recently.

BONDS FOR SALE

Lee County, Arkansas, Road Improvement

Bids for the sale of \$100,000 Lee County, Arkansas 5% Road Improvement, 30 year serial bonds, will be received up to and including May 1, 1911, by the undersigned at Marianna, Arkansas, each bid to be accompanied by a certified check for 2% of the face value of the issue, the right being reserved to reject any or all bids received. Bonds will be issued in denominations of \$1000, all interest payable annually, and will be made payable at any point to suit the purchaser. Address all communications to,

R. L. MIXON, Chairman
Lee County Road Commission

NOTICE OF BOND SALE

The Hood River Irrigation District, Hood River, Oregon, will sell \$70,000.00 completion bonds at the office of its secretary on April 17th at 2 p. m. The irrigation District is not a Carey Act project but is organized and operates under state law practically the same as a school district. These bonds bear 6% interest, semi-annual, are retired in 20 years, and are a first mortgage on the lands of the district, and a prior lien against the lands to everything else. The District has been operating 5 years and must now complete its system. The lands within the District are mostly bearing orchards and strawberry fields, and were last year assessed for state and county taxes at \$820,701.00. Further information will be furnished by

R. W. KELLY, Secretary.

American Telephone and Telegraph Co.

A dividend of Two Dollars per share will be paid on Saturday, April 15, 1911, to stockholders of record at the close of business on Friday, March 31, 1911.

WM. R. DRIVER, Treasurer.

BANK STOCK QUOTATIONS

Among the more active Chicago bank stocks quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK	Book Value
Ashland State Bank.....		110	104
Austin State Bank.....	300		241
Calumet National.....	150		144
Central Trust Co.....	172	176	146
Chicago City Bank.....	185	191	145
Chicago Savings.....	134		122
Citizens Trust.....	165		120
City National (Evanston).....	300		229
Colonial Trust.....	183	186	179
Continental & Commercial.....	279	281	169
Corn Exchange National.....	426	430	289
Drexel State.....	154	158	116
Drovers Deposit National.....	220	228	173
Drovers Trust.....	181	190	167
Englewood State.....	129		122
Farwell Trust Co.....	112	115	115
First National.....	417	421	272
First National (Englewood).....	280		221
Fort Dearborn.....	233	240	132
Hibernian Banking.....	222	226	169
Illinois Trust.....	491	496	280
Kaspar State Bank.....	260		190
Kenwood Trust.....	154	160	125
Lake View Trust.....	138	143	125
La Salle Street National.....	116	118	125
Live Stock Exchange National....	241	247	143
Merchants Loan.....	433	436	304
Metropolitan Trust.....	125	130	131
Michigan Avenue Trust.....	135	138	130
Monroe National.....	129	134	122
National Bank Republic.....	197	201	166
National City.....	197	201	124
National Produce.....	144	147	135
North Avenue State..	136	140	135
North Side State.....	160	175	164
Northern Trust Co.....	310	315	268
Northwest State.....	123	125	112
Northwestern Trust.....	158		137
Oak Park Trust.....	235	240	190
Peoples Stock Yards State.....	218		137
Peoples Trust and Savings.....	178	181	130
Prairie State.....	250		115
Pullman Trust.....	158	164	188
Security Bank.....	208	215	169
Sheridan Trust & Savings.....	113	115	110
South Side State.....	143	146	106
South Chicago Savings.....	150		147
Standard Trust.....	134	136	127
State Bank of Chicago.....	377	380	228
State Bank of Evanston.....	300	312	237
Stockmen's Trust.....	116	119	118
Stock Yards Savings.....	209	214	177
Union Bank (Chicago).....	145	150	122
Union Trust Co.....	305		202
Washington Park National.....	140		108
Wendell State Bank.....	110		122
Western Trust.....	147	150	115
West Side Trust.....	200		165
Wilmette Ex. State.....	120	130	108
Woodlawn Trust.....	183	185	132

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HENRY S. BARTOW
Assistant Cashier

HENRY P. DAVISON
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DIRECTORS

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West Broadway and Chambers Street, New York

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

There are two bankers' associations in Kansas. The Kansas Bankers Association is part of the American Bankers Association and the Kansas State Bankers Association grew out of the enactment of the state bank guaranty law two years ago. The Kansas Bankers Association will hold a joint meeting with the Missouri Bankers Association in Kansas City, Mo., May 24th and 25th. The Kansas State Bankers Association held its second annual convention in Kansas City, Kan., Wednesday and Thursday, April 12th and 13th. It was strictly a business affair as most of the bankers who attended will also be present at the joint Missouri and Kansas meeting later which will have various social features.

John R. Mulvane of Topeka, probably the best known banker in Kansas, discussed rediscounts on Wednesday morning. He asked and answered the question of whether rediscounts are an honor or a disgrace to a bank. M. A. Householder, president of the Cherokee State Bank of Columbus, talked on, "Making and Examining Abstracts." State Bank Commissioner J. N. Dolley explained many features of the state deposit guaranty law and H. D. Tucker, cashier of the Eureka Bank, addressed the bankers on the question of "What Can We Do To Elevate the Standard of the State Banks in Kansas?" Obedience to the law was impressed upon the meeting by Justice R. A. Burch of the Kansas supreme court. Legal phases of the banking business were taken up by C. C. K. Scoville president of the Citizens State Bank of Seneca and John E. Wagner, former president of the Citizens Bank of Altoona, told what the association had accomplished. Governor Stubbs also delivered an address on general business conditions in the state.

Yeggmen are Captured

Two men have been arrested near Tulsa, Okla., who are believed to have been implicated in the robbery of the First State Bank of Broken Bow, Okla., recently. Before the

men entered the bank they overpowered James Wilson, engineer of the Broken Bow electric lighting plant. They then cut all the wires running from the plant and threw the town into darkness. Blowing the bank safe and securing a small amount of cash the men escaped on a handcar. The men arrested gave the names of Fred Walker and John Bowman and put up a hard fight before being captured.

Mystery in Theft

Kansas City banking circles have been deeply interested in the theft of \$100,000 worth of stocks and bonds belonging to Mrs. S. B. Armour and which were held in the safety deposit department of the New England Nation-

al Bank of Kansas City. The profound mystery that enshrouds this matter is explained on the ground that Mrs. Armour does not wish to prosecute the thief. There is no blame whatever attached to the bank as it was only when Mrs. Armour visited the vaults herself with an attendant and her private secretary that the securities were taken. It is believed that practically all of the property has been returned to Mrs. Armour. She is the widow of Simeon B. Armour, brother of the late P. D. Armour and is very wealthy.

Imboden's History

Leonard Imboden, who with James A. Hill was sentenced in March, 1906, to nine years in the Colorado penitentiary for attempting to wreck the Denver Savings Bank and who has just been paroled, is well known in Kansas City. In 1899 with a total cash capital of \$285 Imboden organized a bank in Kansas City and was apparently prospering when the authorities began looking him up. He was sentenced to ten years for alleged forgery but the Missouri supreme court reversed the case and sent it back to the lower courts for trial. After considerable delay the case was dropped and Imboden drifted to Texas where he was sent to the penitentiary for five years for forgery and embezzlement. From Texas Imboden went to Denver where he repeated his operations.

Southwestern Notes

During the waning days of the legislative session at Lincoln, vigorous efforts were made to amend the Nebraska deposit guaranty law but without success. It was feared that any changes in the law at this time might give opportunity to reopen the fight upon the guaranty principle which was recently upheld by the United States supreme court.

Tulsa, Okla., is to have another special booster train to advertise the resources and opportunities of that city. The trip will be begun about May 1st and the itinerary extending over 19 days will include visits to St.

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H. C. Brent, vice-president of the Fidelity Trust Company of Kansas City, has been in Eureka Springs, Ark., for several days negotiating for the sale of his holdings in the Eureka Springs Electric Company to F. E. Ackerman of Chicago and others.

J. Z. Miller, Jr., and H. C. Schwitzgebel, vice-president and secretary, respectively, of the Commerce Trust Company of Kansas City, spent part of the past week in St. Louis.

An amended charter has been filed for the Norman State Bank of Norman, Okla. This was formerly the Savings Bank of Norman and it retains its old officers and directorate.

Bank examiners are still at work on the books of L. R. Teubner, the Tulsa, Okla., bank cashier who took his life on a train in Florida after a mysterious disappearance. It is reported that the books are in bad condition.

L. S. Naftzger, formerly a banker of Wichita, Kan., who was recently convicted of selling postage stamps and fined \$5,000, will open a brokerage office in Wichita for handling stocks, bonds and commercial paper.

The McKinney Brothers of Durant, Okla., have purchased the controlling interest in the Tishomingo State Bank and will apply for a

national charter. The McKinney Brothers own several other banks in Oklahoma.

The Orthwein-Matchette stock and bond brokerage company of Kansas City will open a branch office in Wichita, Kas., about May 1st.

The Security National Bank and the Merchants' State Bank of Harper, Kan., have arranged to merge April 15th under the name of the Security State Bank. J. G. Parker, Jr.,

cashier of the former bank has purchased the interest of J. M. Corey in the Security National.

While attempting to force an entrance to the Miners' and Farmers' Bank of Aurora, Mo., early in the morning of April 8th, two robbers were shot and badly wounded by a butcher who lives across the street from the bank. There were five robbers in the party and the wounded men were carried away by their companions.

Among the visitors in Kansas City's financial district last week were: J. H. Gossom, cashier of the Oakwood Bank, Oakwood, Okla.; C. H. Ames, cashier of the Butler State Bank, Butler, Okla.; M. Boyle, cashier of the American Bank and Trust Company, Clovis, N. M. and F. P. Metzgar, president of the German American Bank of Topeka.

THAT TRUST COMPANY BANQUET

Over four hundred seats have been taken for the trust company banquet in New York on May 5th. Most of the ticket holders are New York bankers but the trust company section and the larger cities will be represented. President Oliver C. Fuller, and others, will go direct from the Nashville meeting. The trust company section under Mr. Fuller's presidency has reached a membership of eleven hundred.

CONNECTICUT MEETING

Secretary C. E. Hoyt of South Norwalk, Conn., has sent out notice of the annual meeting of the bankers' association of that state. The session will be held at The Griswold, Eastern Point, New London, June 21st and 22d.

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Editorial Comment

TRACKING GRAFT HIS GAME

Rudolph Spreckels is touring the country trying to interest big men in the graft hunting game, rather than in the killing of harmless beasts in the forest or jungle. At clubs and in interviews he tells how he bagged Abe Ruef and broke up his game of graft which was so deeply entrenched that Abe thought nothing of bringing on street car, public service and industrial strikes so that his confederates could get a huge issue of city bonds at par or less. Quoting James B. Morrow, who has written some clever articles on Spreckels shows how easy it is when you know how and have the money. Mr. Morrow says:

The fact is not denied that Rudolph Spreckels discovered the hideous governmental conditions existing in San Francisco. "Abe" Ruef, just taken to San Quentin prison for a term of fourteen years, would establish the truth if it ever were disputed. Spreckels, acting alone, started the mighty crusade against vice and official corruption. Francis J. Heney, the lawyer, and William J. Burns, the detective, did the spectacular fighting, but Spreckels called them in and financed the revolution. Now he is traveling the country as a militant reformer of business and political methods. He is talking with millionaires, and being of their class—a real brother of the mighty—they give him a respectful, if not always a sympathetic, hearing. By his own word, he is making headway.

The W. J. Burns here named is the big chief of the A. B. A. protective system, the foremost detective, both in character and performance in the world to-day. Even in fiction they haven't produced an equal. He was offered \$100,000 cash to "throw the case" in San Francisco and promptly refused. This is the point where most agencies fail—honesty.

It was an editor of a newspaper who spoke to Mr. Spreckels of Burns and Heney and their big work in routing the Oregon land frauds. Mr. Spreckels went at once to Washington to get the services of the two men named. "He told President Roosevelt of the situation and his intentions, saying that he would raise all the money that was required for the detection and the prosecution of the criminals who were plundering and debauching San Francisco. Heney and Burns were then in the service of the national government. Mr. Roosevelt instantly said that he could have them. And that is the way the work began and why Mr. Spreckels turned away from money making to a more important undertaking."

This is a simple tale. Success came through Mr. Burns and Mr. Heney and Mr. Spreckels paid the bills. It is to be hoped he will continue and be successful in enlisting other capitalists in the game.

REPORT ON ORIENTAL TRADE

The Los Angeles Financier is publishing an interesting and valuable report on trade conditions in the orient as they affect this coun-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

try. Willis H. Booth, who as chairman of the Pacific coast commission visited China, Japan and the Philippines, is writing the report. He shows the progress of civilization in the East and the opportunity for Americans to extend their trade there.

THE HOUSE ORGAN NUISANCE

Experimentally we have collected thirty-five house organs claiming to cater to banking and financial interests but primarily printed to boost the business of their publishers, or, the private-interests of some place-holding individual. Nearly a third of them claim to be official organs of state bankers' associations and nearly all the balances come from incorporated or private banks. Nearly all of them circulate (with a question mark) gratuitously but two or three of the more pretentious claim to have a genuine subscription list. One of these is said to cost its publishing bank twenty thousand dollars per year above direct income. It lives and is carried on as most of them are, to boost the publisher's business for one thing but to use in securing reserve accounts and business discounts on supplies purchased. Seems small business, when you think of it; buying typewriters and carbon paper from the concern which will take the most of it out in advertising in the bank's house organ. Just as small to filch a reserve account from a neighbor bank by running a "free" ad. in the house organ. On the basis of circulating and influence such an advertisement can do no good and the "consideration" merely is so much "hold-up," or graft for some one. These papers are made up solely from press bureau clippings, cut from the independent papers. There is no doubt that they are burdens to their publishers, and of little good to the public. A few of them have crept into the second class mails on false statements of circulation and character, but they ought to be put out. If banks and supply houses would refuse to help support them by "rebate" advertising they would die out and the atmosphere would be clearer and cleaner for it.

It is announced from Washington that the new Panama canal bonds will be dated June 1st. Only the exact amount of the issue remains undecided, but it is generally understood Mr. MacVeagh retains his original idea to issue \$50,000,000.

UNITY IN BANKING

It has not been expected that a currency reform bill could be passed by congress without long and bitter discussion. Evidence that the matter will be both tedious and protracted is shown in the daily reports from Washington.

The business world will not be disappointed, therefore, over the failure to get practical action in the near future. Most likely the subject will have to be threshed out by the leading political parties during the presidential campaign next year, after which congress ought to be ready for decisive action.

While this appears to be the status of the case at present, there is universal belief that the country needs unity in banking as a general policy. Leading financiers everywhere agree on this proposition, as was shown at several recent conferences, and they are supported in the main principle by the greater part of the commercial world.

How sadly this country has missed a possible unity in banking from the days of Alexander Hamilton to the present time, is understood by nearly all business men. Disagreement comes as to methods. For a century and a quarter public men have shied at the bugaboo of a centralized power in providing the nation with a suitable currency. THE CHICAGO BANKER believes that this feeling of alarm is narrowing down and in time will almost wholly disappear. The campaign of education now going forward is having good results. It is the general hope that the nation will be ready to approve such a bill as the financial element can produce in the coming year.

UPHOLDS RAILROAD RIGHTS

Judge Walter H. Sanborn, senior United States circuit judge, eighth judicial circuit, in an exhaustive opinion decided the Minnesota rate cases against the members of the Minnesota state railroad commission on the grounds that the necessary effect of the reductions ordered was substantially to burden and directly to regulate interstate commerce, to create unjust discriminations between localities in Minnesota and those in adjoining states in violation of the commercial clause of the constitution and to take the properties of the railroad companies without just compensation in violation of the fourteenth amendment to the constitution.

NEW JERSEY BANKERS' CONVENTION

Secretary William F. Field, of the New Jersey Bankers Association, announces that the eighth annual convention of the association will be held at the Hotel Chelsea, Atlantic City, Friday and Saturday, May 12th and 13th.

TAFT MAY MEET WITH BANKERS

Senator Root recently escorted a delegation of New York bankers to the White House to invite President Taft to attend the next convention of the New York State Bankers Association at Manhattan Beach, June 22d. The President took the matter under advisement.

True to its Name—

The founders of the Northwestern National Bank exercised foresight in selecting its title.

The growth of this bank has been continuous and sturdy, and today the scope of its activity is "northwestern" in the full sense of the term.

With correspondents throughout all the territory from Chicago to the Pacific, and in Canada, exceptional facilities are offered for handling the business of the Great Northwest.

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Banking Reforms

Columbus, Ohio, April 13.—There has been a satisfactory compromise reached upon the Kennedy banking bill in the house of representatives. This measure is designed to increase the powers of the state banking department so as to prevent further imposition by the wild-cat bankers who have been raiding the rural communities and founding fake state banks.

As originally introduced it gave power to the superintendent to arbitrarily refuse a charter to a bank on the ground of "inexpediency or undesirability." It was thought that this was too wide a range of power. Thereupon an agreement was framed and submitted to-day by Morton Laundon and Thomas E. Monk, of Cleveland, representing the executive committee of the bankers, which greatly modifies this section.

It provides that there may be an appeal from the decision of the superintendent to the governor and attorney-general, and that the superintendent shall be convinced before adverse action on his part that the character and general fitness of the persons named in the charter are not such as to command the confidence of the community in which they propose to locate the bank.

The friends of the bill went even further and offered an amendment to the provision relating to the power of approval of reserve depositories by the superintendent. This gave the bank the same right of appeal.

As these sections were the only objectionable clauses in the bill and then only because they were not safeguarded, it is thought that the opposition will be dissipated. Under its provisions legitimate banking interests will have no difficulty, while the illegitimate will have a troublesome road. The appealing sections will prevent any harm coming to persons

who are honest and sincere and are at the time misunderstood by the superintendent of banks. The changes have the approval of Superintendent Baxter, to whom they were submitted.

MERGER PLANS DELAYED

New York, April 13.—Bradley Martin, Jr., president of the Nineteenth Ward Bank, which for some time past, it has been proposed to merge with the Twelfth Ward Bank, has made a statement in which he said that the merger plans are being delayed by the present investigation into the Carnegie Trust Company affairs, as some of the interests that are expected to enter the new institution prefer to await the ending of this matter before any formal announcement is made.

Mr. Martin further stated that he hoped to be able to announce the composition of the board of directors of the new institution early next month, or prior to May 27th, the date set for the many-times adjourned annual meeting of the Nineteenth Ward Bank.

JOLIET BANKER A VISITOR

President C. E. Wilson of Will County National Bank, Joliet, was a visitor at Western Trust and Savings Bank last week. Mr. Wilson has one of the oldest and strongest banks in Illinois and his intimate knowledge of business conditions makes his opinions of especial value. He is an earnest believer in high-class bonds and real estate as security for investments.

Kelsey Chase, state bank examiner, one of the principal speakers at the Minnesota state convention June 21st at Bemidji, is to speak also at group conventions as follows: May 16th, Hastings; May 18th, Appleton; June 7th, New Ulm.

Honor for Cahill

D. W. Cahill, note teller and clerk in charge of foreign exchange with Central Trust Company of Illinois during the past two years, resigned on April 8th to accept the cashiership of the South Side State Bank, located at Forty-Third Street and Cottage Grove Avenue. Mr. Cahill began his banking experience with the Royal Trust Company some ten years ago as a messenger, and before the absorption of that bank by the Central Trust Company of Illinois, had worked his way up to the position of note teller. His many friends in Chicago and his former associates in these two banks wish him every success in his new position.

CHEERFUL FEELING IN OHIO

Asael E. Adams, one of the principal bankers of Youngstown, O., was a visitor at First National, Chicago, the fore part of the week. He reported a cheerful feeling in business circles. Some improvement in manufacturing and jobbing has helped the money market. Mr. Adams is president of the Dollar Savings and Trust Company and vice-president of First National Bank, strong and popular institutions.

DAKOTA BANKER HERE

E. G. Kennedy, president of American Exchange State Bank, Sioux Falls, South Dakota, spent several days in Chicago this week. Mr. Kennedy is an enthusiastic believer in the future of South Dakota, and expresses great confidence in the growth and development of that important agricultural commonwealth.

RETURNS FROM CALIFORNIA

President Orson Smith of Merchants Loan and Trust has returned from California.

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INVESTMENT SECURITIES

Convention Dates

SOUTH CAROLINA—Summerville, April 18, 19 and 20; Secretary, G. L. Wilson, Spartanburg.

LOUISIANA—Baton Rouge, May 2 and 3; Secretary, L. O. Broussard, Abbeville.

FLORIDA—Ocala, May 10 and 11; Secretary, Geo. R. DeSaussure, Jacksonville.

MISSISSIPPI—Greenwood, May 10 and 11; Secretary, Richard Griffith, Vicksburg.

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Oklahoma City, May 22 and 23; Secretary, W. B. Harrison, Enid.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

GEORGIA—Tybee Island, Ga., June 8 and 9; Secretary, L. P. Hillyer, Macon.

PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.



General Secretary F. E. Farnsworth, A. B. A.

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TIP ON NEXT CONVENTION PLACE

For the next convention, which will be held in the fall of this year, the association has received invitations from San Antonio, Texas; New Orleans; Richmond, Va., and Atlantic City. These invitations have been extended by the clearing houses and affiliated banks in these various cities, reinforced by urgent invitations from the commercial organizations. The question will be settled by the executive council at its meeting in Nashville in May 2d or 3d, the council having requested at the Los Angeles convention that its executive officers make a recommendation. The four cities have recently been visited by General Secretary Farnsworth.

There can be no question as to the hospitality which will be extended on the part of the bankers in these various cities, nor as to the attractiveness of the cities in the field and in each case peculiarly its own. San Antonio is one of the attractive cities of the Southwest and is now much visited by tourists owing to its delightful climate, three fine hotels, the historic interest attached to the Alamo, its old missions, its government reservations, and more or less of the Mexican type in the city and its surroundings. New Orleans, the Crescent city, is the important seaport of the South, with several fine hotels, and the attractions of an old French city with its Bohemian life; rehabilitated in fine homes, broad streets, good pavements and drives. Richmond, the capital of the confederacy, now one of the modern, thriving, up-to-date cities of the South, rich in colonial, Revolutionary and Civil War history. Atlantic City, with its abundance of hotels and probably the most noted resort in the United States. The council will face the problem of selecting one of these four cities: one which can adequately take care of the members of the association in proper manner and at good hotels, bearing in mind the largely increased attendance at succeeding conventions, without questioning the hospitality of the bankers at these various points.—Col. Farnsworth, in A. B. A. Journal.

MINNEAPOLIS BANKER HERE

Cashier C. L. Strom of Merchants and Manufacturers State Bank, Minneapolis, was a caller at Colonial Trust and Savings Bank Wednesday. He reports business improving throughout the Northwest.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

TACOMA CHAPTER

The Northwest chapters are handicapped early in the season by the glorious weather which brings with it the boating, motoring and sundry pastimes which fill the heart of the bank man with expectation and realized joy. This tends to warp the attendance at chapter meetings long before our Eastern friends realize the peril of summer in their work. However, I believe I can truthfully say, speaking for Tacoma's near sister chapters as well, that our load is not altogether one of regret but is carried and lightened by the redoubled energy of the faithful who hold on and boost.

The regular monthly meeting held on the evening of the fourth was largely taken up with the annual election of the board of governors and chapter officers for the coming year. The following were elected: President, W. W. Newschwander of the National Bank of Commerce; vice-president, Geo. E. Dixon, assistant cashier of the Fidelity Trust Company, secretary Virgil W. Fell (re-elected) of the Bank of California, N. A.; treasurer, H. Berg (re-elected) of the Scandinavian-American Bank. New members elected to the board of governors were Geo. E. Dixon, W. W. Newschwander, James W. Lynch and Arthur A. Miller, assistant cashier of the Pacific National Bank.

Mr. Newschwander's speech of acceptance was very interesting as well as encouraging and with the proper support our new president will get the chapter mill grinding busily and well. After listening to short addresses from several other leaders in Tacoma chapter circles the meeting adjourned and scattered out over the city to learn how its individual candidates for mayor of Tacoma had fared in the press-famed recall election.

VIRGIL W. FELL.

SEATTLE MEN GIVE SHOW

On the evenings of the 11th and 12th of April, the stage of the Grand Opera House at Seattle was held by sixty members of Seattle Chapter, American Institute of Banking, in an extravaganza of singing, dancing and black face comedy, entitled "Bankers in Burnt Cork." It was an old time minstrel show, with the regular first part and an olio, with a few modern inventions. The first part contained two ensemble numbers, three ballads, four end songs and numerous specialties. The second part followed with an olio of five vaudeville acts, three of them professional and two recruited from the ranks of the bank men. The feature of the second part was the Currency Quartette and the Venetian Troubadours.

E. G. Norris, vice-president of Seattle Chapter, was interlocutor and sang the base ballad. The baritone and tenor ballads were sung by Chas. More and James Valentine. The end men or jesters were Harry Colwell, Rowell Marshall, Don Fullen, E. P. Burns, H. T. Miller, J. H. Callahan, G. L. Sultan, E. W. Burns, Walter Heath and Tom Lawson.

Few in the audience would have recognized in the actors the polite and immaculate young men who serve them daily without the aid of the handsomely printed libretto. This revealed the identity of each bright particular star; told who rattled the bones with such professional skill and who it was whose darkey

dialect was almost too natural to be true. The program also included the songs of the show and the history of the American Institute of Banking and Seattle Chapter by George R. Martin, the chairman of the educational committee of the chapter.

The receipts of the show will be used to procure permanent club rooms for Seattle Chapter.

JOIN THE BIG ASSOCIATION

Following are late additions to the American Bankers Association:

Arkansas, Pine Bluff, Simmons National Bank; Star City, Lincoln County Bank.

California, Holtville, First National Bank; Santa Cruz, City Savings Bank; Santa Cruz, First National Bank.

Colorado, Steamboat Springs, Bank of Steamboat Springs.

Florida, Bronson, Bank of Levy county; McIntosh, First State Bank.

Indiana, Morocco, Citizens State Bank; Dunkirk, First State Bank.

Iowa, Colfax, First National Bank; Anita, Citizens Savings Bank; Atlantic, Atlantic National Bank; Collins, Bank of Collins; Fairbank, Fairbank State Bank; Garden Grove, First National Bank; Vincent, Farmers Security Bank.

Kansas, Colwich, State Bank of Colwich; Burrton, Burrton State Bank.

Kentucky, Richmond, Southern National Bank.

Michigan, Copemish, Bank of Copemish.

Minnesota, Odessa, Farmers and Merchants State Bank; Cold Spring, State Bank of Cold Spring; Fairmont, Fairmont National Bank; Ivanhoe, Lincoln County State Bank; Minnesota, Farmers and Merchants National Bank; Onamia, First State Bank.

Missouri, Luxemburg, Lemay Ferry Bank; Belton, Citizens Bank of Belton.

Nebraska, Dunbar, The Farmers Bank; Keystone, Bank of Keystone; Orleans, Citizens National Bank.

New Mexico, Tucumcari, International Bank of Commerce.

New York, Ripley, First National Bank; Utica, Utica City National Bank.

North Dakota, Hannah, Citizens State Bank.

Oregon, Jordan Valley, Bank of Jordan Valley.

Pennsylvania, Du Bois, Du Bois National Bank; Corry, Citizens National Bank.

South Dakota, Sturgis, Commercial National Bank; Worthing, Peoples Security Bank.

Tennessee, Brownsville, Brownsville Bank; Gordonsville, Bank of Gordonsville; Lebanon, Lebanon National Bank; Lexington, Citizens Bank; Stayton, Stayton Bank and Trust Company; Winchester, Farmers National Bank; Linden, Perry County Bank; Nashville, One Cent Savings Bank.

Texas, Mercedes, Hidalgo County Bank; Waco, Farmers Improvement Bank; Clifton, Farmers Guaranty State Bank; Conroe, Banks Griffith and Son.

Vermont, Bennington, Bennington County Savings Bank.

Wisconsin, Iron River, Wisconsin State Bank.

Merchants National of Harrisburg, Pa., is to put up a new building.

DEBATE TEAM PICKED

The debate society of Chicago Chapter has been a little hotbed of activity during the past month. Craig B. Hazlewood, assistant secretary of the Union Trust Company gave a talk on "Preparation for Debate" before the society, March 21st. Mr. Hazlewood, not so long ago was a very active and energetic member of the debate society and chairman of the Western Debating Conference. His remarks were opportune and of immense aid to our aspiring orators, especially to those who were preparing for the contest which took place the Tuesday following.

The general chapter meeting of March 28th was turned over to the society, John Drummond presiding. The question for debate was "Resolved, that United States senators should be elected by the people." Messrs. Rich, Ashley, and Coleman spoke on the affirmative side of the question while Messrs. Tood, Kuhn, and Schroeder took the negative. The arguments were presented in such a convincing manner as to render a decision by the judges a somewhat difficult matter. After a considerable wait, during which the crowd was pleasantly entertained with a number of excellent piano selections by Edward Englebrecht of First National, the decision was finally announced by Mr. Hill of the Bankers' Life Insurance Company in favor of the negative. The judges at the same time picked the team which will represent Chicago in the next intercity debate. O. J. Kuhn of First National, W. W. Todd, Continental and Commercial Trust and Savings; and Louis Rich of Illinois Trust and Savings were the fortunate members selected. Mr. Hill devoted a few minutes at the close of the meeting to a sound and interesting talk on public speaking, its benefits to the young man, together with numerous suggestions on its acquirement.

John Drummond, chairman of the debate committee, announces that negotiations with Milwaukee Chapter for a contest next month have been dropped as it is impossible for Milwaukee to get her team together again this year. It may be possible that arrangements can be made with St. Paul Chapter for a debate in the near future and Mr. Drummond is using his best efforts to that end.

RAPID RISE OF MR. KRECH

Alvin W. Krech, who was a Minneapolis resident through youth and early manhood, and who left some years ago to identify himself with New York banking, has brought the control of the capital stock of the Equitable Trust Company of New York, according to advices received by Minneapolis bankers. Mr. Krech is president of the trust company. Of its capital stock, 14,531 shares were held by the Equitable Life Insurance Company, and it is this stock, or a portion of it, that Mr. Krech is reported to have secured. The New York reports say that the price at which the insurance company held it was \$500 a share, or \$7,265,500.

The trust company has total resources of about \$50,000,000.

The acquisition of control of the trust company is the most important news that has been heard from Mr. Krech since he moved to New York, where his rise has been rapid.



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Money, Banking and Finance from Chicago Viewpoint

Financial features are developing too slowly to satisfy Chicago bankers, and still the conditions governing the money market are improving. One important fact is that interior bankers are beginning to find employment for their funds in the farming districts.

This is an encouraging turn but it has not gone far enough to stimulate the Chicago money market. Rates are still low, with a majority of loans at 5 per cent and the larger customers getting accommodations at $4\frac{1}{2}$. Real estate loans remain on a 5 per cent basis—that is, gilt edge propositions do not need to pay more than 5 per cent. A few instances are reported where loans were made at $4\frac{1}{2}$ per cent, but these cases are exceptional and do not come often enough to make a market. Smaller borrowers pay $5\frac{1}{2}$ to 6 per cent.

Among the most important operations in the international bond market has been the quick absorption of \$22,500,000 of Brazilian bonds, issued to supply funds needed in enlarging and improving the harbor of Rio de Janeiro and the completion in France of negotiations by the state of Minas Geraes, Brazil, for contracting a loan of \$10,000,000, which made a total of \$50,000,000 which this state has borrowed in France within the last 10 months. Among new financing and refinancing operations of American railroads are the sale to banks by the Pere Marquette of \$1,024,000 equipment trust 5 per cent bonds, series "A," and \$1,088,000 equipment trust 5 per cent bonds, series "B," and the sale by the Chicago, St. Paul, Minneapolis and Omaha Railway Company of \$1,500,000 of Superior Short Line first mortgage 5 per cent bonds.

Chicago banks have assisted in nearly all of the important transactions reported. Concerns having both New York and Chicago offices have been especially fortunate in marketing a large and miscellaneous line of securities.

A. B. Leach and Company are offering \$50,000 Chicago, Rock Island and Pacific Railway Company general mortgage gold 4s, to yield 4.08 per cent; \$100,000 Delaware and Hudson Company first and refunding mortgage gold 4s, to yield 3.89 per cent, \$50,000 San Antonio and Arkansas Pass Railway Company first mortgage gold, guaranteed 4s, to yield 4.75 per

cent; \$100,000 Fonda, Johnston and Gloversville Railroad Company first general consolidated refunding mortgage gold $4\frac{1}{2}$ s, to yield 5.25 per cent, and \$50,000 Chicago, Milwaukee and St. Paul Railway Company general mortgage gold $3\frac{1}{2}$ s, to yield 4.08 per cent.

Harris, Forbes and Company are offering Pacific Telephone and Telegraph Company 5s, due 1937, at $97\frac{1}{2}$ and interest, to yield about 5.15 per cent; Rochester Railway and Light 5s, due 1954, at 101 and interest, to yield 4.95 per cent; Michigan State Telephone first 5s, due 1924, at 100 and interest; Oklahoma Gas and Electric first 5s, due 1929, at $97\frac{1}{2}$ and interest, to yield about $5\frac{1}{4}$ per cent, and Sierra and San Francisco power first 5s, due 1949, at 94 and interest, yield $5\frac{3}{8}$ per cent.

Coffin and Company are offering Chicago, Rock Island and Pacific collateral 4s of 2.002, at about $73\frac{1}{2}$, to yield about 5.50 per cent;

Wabash Railroad refunding and extension 4 per cent bonds of 1956, at about 71; Pere Marquette refunding 4s, due January, 1955, at about $76\frac{1}{2}$, to yield about 5.40 per cent.

Hornblower and Weeks are offering \$350,000 Connecticut Valley Lumber Company first mortgage 6 per cent bonds, due August 15, 1933, at par and interest, to yield 6 per cent.

MOVEMENT OF MONEY

Known movements of money for the five days ended with the close of business Wednesday night indicate that the New York banks gained within \$64,000 as much net cash as in the six days' period the week previous, or \$4,279,000 this week, against \$4,343,000 last week. The associated banks gained \$5,958,000 from the interior, against \$5,533,000 last week, and lost \$1,679,000 to the subtreasury, against \$1,190,000 lost to that institution last week. The day omitted in this week's calculations (Thursday) is usually one of the largest money receiving and shipping days, but the tendency of the money movements is clearly outlined. The New York banks will probably show a larger gain than above indicated, owing to a debit of \$1,704,000 by the subtreasury at the clearing house. This is for larger pension payments.

PLANS OF THE RAILROADS

In the hope of preserving the privilege of securing reduced rates on returned shipments manufacturers and shippers in Chicago are contemplating making a request for further conferences with the railroads, and in the event they are successful it is probable that opposition before the various railroad commissions will be raised against the alleged intention of the carriers entirely to wipe out this system of rate. In a request which has just come before the Nebraska state railroad commission to eliminate provisions in that state for reduced freight charges on defective and damaged returned goods it is believed that a beginning has been made to do away with the rates in the various states where they now exist, following action already taken regarding interstate shipments.

DAVIDSON COUNTY BONDS FOR SALE

Bonds in the amount of \$80,000.00, bearing a rate of interest not exceeding five per cent. per annum, to mature in twenty five years, payable in the City of New York, will be sold to the best and highest bidder on April 20, 1911, at ten o'clock, a. m., at the office of the County Judge, in the Court House, in Nashville, Davidson County, Tennessee. Each bidder will be required to deposit a certified check for \$250.

The right is reserved to reject any and all bids.

All communications will be addressed to W. M. Pollard, County Judge, Nashville, Tennessee, or to Thomas J. Nance, chairman, care Remy-Nance Printing Company, Nashville, Tennessee.

T. J. NANCE, Chairman
 W. M. POLLARD, County Judge
 SAMUEL N. HARWOOD, County Attorney
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SAVINGS

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Chicago Savings Bank & Trust Co.

STATE AND MADISON STREETS

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DANIEL B. SCULLY
LUCIUS TETER
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TRUST

REAL ESTATE LOANS

SAFE DEPOSIT VAULTS

Indiana

Directors of the Andrews State Bank have decided to pay four per cent on all time deposits of more than four months.

Dr. L. E. Maddox has succeeded D. A. Bryson as cashier of the First National Bank, at Montpelier, and will fill that position in the future owing to the ill health of Mr. Bryson.

Workmen are busily engaged in making the improvements to the room in the Hotel Ray block to be occupied by the Shelbyville Trust Company. The concrete footing for the big vault is now being put in.

The banks of Bluffton, Markle, Ossian and several other towns have begun paying 4 per cent on time deposits. The movement may become general in the state.

The Corydon National Bank has moved into its new building, one of the handsomest in southern Indiana. Open house was kept Saturday and a number of banking officials from other places attended the reception.

The fourth banking institution has opened for business in Monticello. The new one, the Farmers State Bank, is the outgrowth of some four or five years' planning. The principal stockholders are J. D. Timmons, Frank J. White, A. A. Anheir, W. F. Brucker, James Lods, L. G. Gustavei and B. B. Baker. The officers of the bank are: J. D. Timmons, president; E. J. White, vice-president, and B. B. Baker, cashier.

FARM LOANS INCREASING

Advices from St. Paul and Minneapolis say that the steady demand for farm loans in Minnesota, the Dakotas and Montana and the apparent loosening of the eastern money market to this form of investment indicate that the period of over-speculation in western lands has

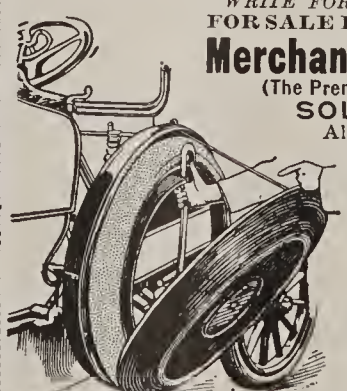
passed. Reports from country banks placed the call for farm loans at about 20 per cent greater than at this time last year, all for legitimate investment, and with the speculative element so manifest last spring nowhere apparent now. The Vermont and New Hampshire savings banks have about \$20,000,000 invested in western and northwestern farm loans. The insurance companies which a year ago shut down entirely on such loans and afterward resumed moderately are now taking the normal amounts, but with somewhat severer restrictions.

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 The "Star" Case fits any car. It is made of pressed steel. It carries spare shoes, inner tubes, small tools and spare parts. Opened, closed and locked in one minute. Nothing need be detached for removal of tires. It is thief, dust, fool and water-proof. Light in weight.
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Kansas Prosperous

Kansas banks have been enjoying a season of much prosperity since the new year began. In a little more than three months the deposits have increased \$4,500,000. On March 16th last the call showed the total deposits to be \$96,254,685. The 869 state banks reporting have a combined capital of \$17,050,552 with a combined surplus of \$6,179,651 and undivided profits of \$2,166,029. Speaking of this showing, J. N. Dolley, state bank commissioner, said:

"The result as shown by the call statement of March 16th is very pleasing indeed. It shows a healthy increase in capital stock, surplus, undivided profits and deposits, a decided decrease in overdrafts and several points' increase as to reserve. The state banks of Kansas were never in better condition than they are to-day and more deserving of the full confidence of our Kansas people. It shows that business is again assuming normal conditions and that we have passed through the stringency and semidull period in commercial and banking channels which was keenly felt in the last month of 1910 and the beginning of 1911."

STANDARD TRUST

The Standard Trust and Savings Bank has been authorized by the state auditor of public accounts to accept and execute trusts and to receive deposits of trust funds. The bank's deposits passed the \$3,000,000 mark last week on the day the institution was seven months old.

The Provident Loan Society of St. Paul is about ready to open its doors. It is anti-loan shark.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

"There is no dark spot on the agricultural outlook, so far as I can judge at this time," said Frank A. Vanderlip, while here. He was on his way East and spent the morning in Minneapolis and afternoon in St. Paul. In Minneapolis he went over the St. Louis road terminals with John R. Mitchell, president of the Capital National. At a luncheon in the Minnesota Club were present among others: James J. Hill, Louis W. Hill, Governor A. O. Eberhart, J. R. Mitchell, Ben Baer, W. A. Miller, J. W. Lusk, F. E. Weyerhaeuser, C. T. Jaffray, Perry Harrison, Theodore Wold.

Take School Bonds

St. Paul clearing house banks have taken the \$220,000 high school building construction bond issue offered for sale by Comptroller W. H. Farnham without a bid at par. These are thirty-year 4 per cent bonds. The charter of St. Paul prohibits the sale of bonds below par and the interest on these bonds was fixed at 4 per cent. Contracts have been made for construction of high school buildings, which will require the proceeds of these bonds to carry out. The clearing house banks include the First and Second National, the Merchants National, the National German American National and the Scandinavian American Bank of St. Paul.

Minneapolis Bond Problem

Experience of Minneapolis in not selling bonds has been common among cities of high standing, according to C. B. Rich, bond department of the National City Bank, on a visit to the Twin Cities with President Frank A. Vanderlip. "We know of the fact that issues of Minneapolis park and school bonds at 4 per cent were not salable," Mr. Rich said, "and that it was because of the limitations here that provide that Minneapolis bonds may not be sold below par and must not bear more than 4 per cent interest. There has not been a circumstance about it that in the slightest way indicated that the credit of Minneapolis is not

good. On the contrary the city's credit is high. But renters of money, if you want to look at it as a rental proposition, do not want to rent their idle money, to a municipality or any other borrower, for 4 per cent a year. They want more, and have been able to get it.

"It is difficult to foresee the future, but the situation is not much different now. Money, for long time investment in bonds, looks for a return greater than your city can offer under the restrictions."

Montana Bankruptcy

Charles F. Chalsma of Dodson is the first Montana banker to take advantage of the national bankruptcy act. He was doing business as Bank of Dodson, unincorporated. Assets are given at \$14,000 and liabilities at \$23,115. Two secured claims are notes held by the Minnesota National of Minneapolis, \$4,000, and Houston State of Houston, Minn., \$2,000. The security is customers' notes for \$9,000. Due patrons on open accounts is \$10,450 and depositors \$6,355. Assets are promissory notes and commercial paper.

Optimistic on Crop

Northwestern bankers reporting are optimistic on the crop. T. L. Beiseker, Fessenden, N. D., said: "The crop outlook is fine. We have plenty of moisture and will have a big grain acreage." J. W. Booth, cashier of the First National Bank of Winona, reports: "We are looking forward to a good crop year." W. M. Evans, president of the Worthington National Bank, Worthington, Minn., reported conditions excellent and farmers confident of a good year.

Receives Promotion

J. R. Byers has been made assistant cashier of the Minnesota Loan and Trust Company. He has been with the bank eleven years and last was discount clerk for two years. He was on the list as candidate for election as chapter treasurer, but his advancement cuts him

out of the nominations for the bank clerks' organization at the coming election.

Chapter Presidency

John G. MacLean of the Security National is nominee for president of the Minneapolis Chapter of bank clerks. H. E. Cobb, retiring, was not up for re-election. G. G. Struthers, paying teller at the Union State Bank, is nominated for vice-president; Joseph Cameron of the Northwestern for secretary, C. C. I. Norman, Chapman, Stevens and Company, for treasurer. The election is April 25th. The annual dinner is April 22d. at the Commercial Club. E. D. Hulbert, vice-president of the Merchants Loan and Trust, Chicago, speaks on the Aldrich reserve plan from the viewpoint of a state banker. The chapter will take the Lyric Theatre, April 17th and 18th, stock company, and receipts will go to maintenance of club rooms and expenses of delegates to the Rochester meeting in September.

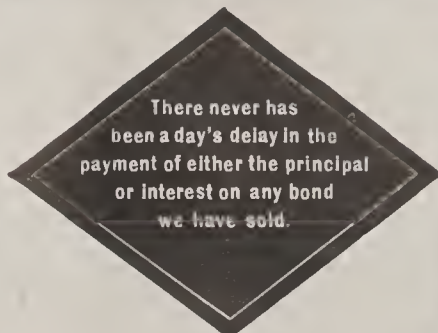
Northwestern Miscellany

L. C. Murdock, formerly with Stevens, Chapman and Company, investments, has been made representative of Thomas J. Bolger Company, with office in St. Paul.

G. A. Lyon, assistant cashier of the Minneapolis First National, returned from Mason City, Iowa, reports arrangements under way for the state bankers' convention there, June 14th-15th, with promise of the largest attendance yet. Twin City bankers will attend the meeting of Group Four, April 27th, at Elkader.

Side by side P. M. Kerst, clearing house examiner, has been working with the national examiner, C. H. Myers. Their paths have not crossed before. They worked on the Northwestern National last week and then started on the First National books. This plan of co-operation resulted from lack of men.

President L. A. Huntoon, Moorhead, will soon name the committees in charge of the next Minnesota state convention at Bemidji, week of June 21st.

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Pittsburgh

There are now three strong life insurance companies in Pittsburgh—The Pittsburgh Life & Trust, The Reliance and the Standard Life. These companies may in time do for Pittsburgh what the New York Life, The Equitable and the Mutual have done for New York.

President A. C. Dinkey of the Carnegie Steel Company denies he has resigned as president of the company. He states the rumor being circulated regarding his resignation is false, and stated that his relationship with the head of the United States Steel Corporation is very satisfactory.

J. S. & W. S. Kuhn were awarded the issue of \$300,000 Allegheny county three year four per cent tax exempt bonds, one of the finest investment issues that has been offered in the Pittsburgh market for months and one that should go very readily in view of the present cheapness of money.

At a special meeting of the stockholders of the Philadelphia Company, Tuesday, an increase in the capital stock from \$47,000,000 to \$48,400,000 was authorized, making it an increase of \$1,400,000. The stockholders also authorized an increase of indebtedness of an equal amount, to be issued into convertible notes, which can be converted into stock of the company.

New business booked by the United States Steel Corporation during March was at the rate of about 35,000 tons daily, compared with 40,775 tons in February. March shipments were very heavy, but notwithstanding that, the month will show a fair increase of unfilled business. Corporation mill operations are now about 72 per cent. The American Steel & Wire Company broke all records for shipments for any month during March and new bookings were at normal rate. Car companies are specifying freely for material.

At a reorganization meeting a few days ago the general office staff of J. S. & W. S. Kuhn, Incorporated, was enlarged to meet the requirements of a growing business. Within the last three months strong and permanent connections have been formed for the company in Europe by L. L. McClelland. Mr. McClelland reported also several important sales of securities while abroad. The company since its organization in February, 1903, has grown steadily, until now it is generally declared to be one of the most progressive bond houses of the country. It has established branch offices in Chicago, Philadelphia and New York, and is interested in Boston through Kuhn, Fisher & Company, Incorporated. It has correspondents in practically every large city in the United States. From a modest beginning the company has reached a position where it is now handling securities amounting to many millions of dollars annually. At the meeting a few days ago the following officers were elected: James S. Kuhn, president, and W. S. Kuhn, vice-president, re-elected; L. L. McClelland, formerly

secretary and treasurer, becomes vice-president; James K. Duff, formerly office manager, becomes treasurer, and H. C. Ward was elected secretary. The other new officers are as follows: F. S. Carmack, assistant secretary; J. Gordon North, assistant treasurer; F. D. Glover, manager of sales; G. G. Applegate, assistant manager of sales; S. M. Vockel, manager municipal department and F. O. March, advertising manager. By this reorganization L. L. McClelland will be able to devote more of his time to the larger financial affairs of the company, being now relieved of many of the details. He has been manager of the company since its organization having come to the Kuhn interests about eight years ago from the Commercial National Bank. J. K. Duff, treasurer of the company, left the Peoples Savings Bank in 1908, where he was secretary and treasurer, to become identified with J. S. & W. S. Kuhn. H. C. Ward was formerly treasurer of the Guarantee Title and Trust Company, forming connections with J. S. & W. S. Kuhn last August. J. Gordon North, assistant treasurer, has been with the company almost since its organization. F. D. Glover, F. S. Carmack, and G. G. Applegate are well known to investors in Pittsburgh and vicinity. The municipal department, in charge of S. M. Vockel, is most active and is said to handle as many Pennsylvania municipals as any single agency in the state.

KENTUCKY BANK IS CLOSED

Frankfort, Ky., April 13.—Secretary of State Bruner has directed the Utica State Bank of Daviess county to close its doors and is investigating a report concerning one of the officers.

W. A. Sherrill, the cashier, is a brother of C. W. Sherrill, former cashier of the Roboards State Bank, who is under indictment on the charge of making false reports as to the condition of that bank.

Secretary Bruner said to-day that he had examined the Utica Bank in February and found that Sherrill had overdrawn his account more than \$800, and that there was paper in the bank which the banking department of the state did not regard as good collateral. At the time Mr. Bruner took steps to have the bank closed, but the directors promised him that they would see that Sherrill made good his overdrafts and other indebtedness to the bank, and he has a letter dated March 2d saying that this indebtedness of Sherrill had been made good.

William R. Nicholson, president of the Land Title and Trust Company of Philadelphia, has returned from a two months' trip to the Pacific Coast.

THE HANCHETT BOND CO., Inc.	
L. A. TROWBRIDGE, President	WM. F. HANCHETT, Vice-President
CITY SCHOOL COUNTY DRAINAGE	BONDS
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Philadelphia

E. H. Rollins and Sons and J. S. and W. S. Kuhn, inc., have been awarded \$300,000 Allegheny county (Pa.) tax free 4s of 1941, which they are now offering.

Official announcement is made by President Rigg of the Interstate Railway Company that all the subscriptions to the new issue of \$1,000,000 cumulative preferred stock of the company have been paid in full.

Cablegram received by relatives announces the death in Paris, of J. Gardner Cassatt, a well known financier of this city and brother of the late A. J. Cassatt, former president of the Pennsylvania Railroad Company.

Formal demand for an increase in wages from 23 cents per hour to 28 cents, made by the trolley men of the Philadelphia Rapid Transit Company, was refused, the directors assigning as a reason the fact that the company is not financially able to make an advance at this time.

The Electric Storage Battery Company has sold to the Consolidated Gas, Electric Light and Power Company of Baltimore a storage battery which will be the largest in the world. The weight complete with plates and electrolyte will be 1,079,200 pounds. The battery will be capable of lighting 240,000 tungsten lamps of 20 candle power each for twenty minutes. The battery is intended to be used for emergency purposes.

The stocks and bonds owned by the Lexington and Interurban Railways Company, and pledged as collateral for its \$1,569,000 collateral trust 5 per cent bonds, which have been in default since February 1st, were sold at auction, Friday, at the Bourse by Barnes and Lofland, for \$600,000.

The purchaser was the newly organized Kentucky Securities Company. The stocks and bonds sold represent the control of the gas, electric light, and ice business in Lexington, Ky., and surrounding towns and cities. The Kentucky Securities Company assumes the operation of these properties. The Lexington and Interurban Railways Company has voted to dissolve. The sale of securities was made under the terms of the collateral trust indenture.

Searching, it is believed, for secret information of the Bethlehem Steel Co., thieves forced their way into the office of that corporation, on the sixteenth floor of the Morris Building, and ransacked every desk in the place, including that of Charles M. Schwab, the president of the corporation. It is understood that a number of papers of considerable value are kept in the offices of the corporation but it is considered doubtful whether documents of such value as a formula would be kept there. That the entrance was effected by a person or persons who hoped to realize a large sum by selling the secret processes to another concern the police are convinced.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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\$16,000,000**

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Pacific Northwest Banking News

Spokane, April 12.—During his stay in Spokane, April 3d and 4th, F. A. Vanderlip, of New York, president of the National City Bank of New York, was entertained by local bankers and the Spokane Chamber of Commerce. He was accompanied by Mrs. Vanderlip, H. R. Williams, president of the Chicago, Milwaukee & Puget Sound Railroad Company; C. V. Rich, Ames Higgins, his secretary, and W. H. Kiernon of Spokane.

Speaking as the representative of eastern capital Mr. Vanderlip urged the necessity of fair and careful legislation by the people of Washington.

Mr. Vanderlip declared business conditions were sound but that capital was timid and would wait decisions of the supreme court on some big questions, among these being the anti-trust act and the Standard Oil and Tobacco trust cases. With these questions settled he said investors would have a better idea of what they were doing. It would clarify the whole situation.

Mr. Vanderlip was greatly impressed with the entire Northwest. This is not his first trip, but he is taking renewed interest in the country and declared he could see evidence of great advancement.

"One particular form of investment which is popular in the East is irrigation bonds," said Mr. Vanderlip. "They are regarded as safe, and as giving good returns. I would advise any man to get hold of land in the Northwest and hold it for development and advance."

He discussed the Aldrich plan of banking system and the necessity of bank organization in districts to help carry out this plan, believing congress would not pass it unless it was ardently urged by all of the bankers. He is very much in favor of the postal savings system, and is confident that it will not harm banking interests in the slightest degree.

The National City Bank is one of the greatest financial institutions on this continent. It has a capital and surplus of \$60,000,000 and about \$225,000,000 in deposits. It does a general commercial business, but is remarkable for its business relations with foreign governments having handled Japanese, South American and other bonds for investments in this country.

General Financial News

The Bank of Nez Perce, the oldest financial institution at Nez Perce, Idaho, having been organized over 10 years ago, has passed out of existence, the stockholders liquidating the concern's indebtedness and transferring the deposits and accounts to the Farmer's State Bank. The bank was capitalized at \$25,000. O. M. Collins of Uniontown was president and D. V. Dowd of Nez Perce was cashier.

The First National Bank of Walla Walla, Wash., has moved from the Paine building, where for thirty-three years the institution has been conducted, and work will be begun the first of the week remodeling the old building.

The state law which states that banks shall be assessed for the amount of deposits con-

tained in that bank by various depositors will be opposed here according to local bankers. They assert that there is no law that will compel them to give out the amount of deposits held by any one depositor.

Cashier Kincade of the First Bank of White Bluffs, Wash., publishes a statement in which the deposits are shown to amount to more than \$25,000. When a bank in a place the size of White Bluffs has accounts with that standing, it shows careful management and cautious investments. The business of the bank has more than doubled in the last year, and with the present prospects, it is expected to grow remarkably fast this year. The community is just beginning to open up to development.

J. L. Mohundro, state bank examiner, announces that the banks of this state are in excellent condition according to the reports of March 7th. That call shows that the state banks are holding a larger reserve than ever before since the banking department was organized.

B. W. Snow reports winter wheat condition 85.4 against 81.3 last year.

Seattle

Plans formed by the directors of the Commercial State of Seattle a year ago, by which that institution is to be converted into a national bank and its capital stock increased from \$200,000 to \$500,000, are likely to be consummated within the next few weeks. Negotiations have been conducted for some weeks past between certain stockholders of the bank and J. W. Maxwell, former vice-president of the Seattle National, and president of the Commercial Club, which have for their object a reorganization of the Commercial Bank and the election of Mr. Maxwell as its president.

Concerning the plan to make the Commercial a national bank, President Lester W. Lewis, of the bank, said:

"When the Commercial State Bank was organized one year ago and took over the business of the Title Trust Company, it was understood that this was but the first step looking to the conversion of the institution into a national bank. At that time we contemplated increasing the capital stock of the bank to \$500,000 with \$100,000 surplus. Necessarily we considered enlisting new capital in the bank, but the board of directors has not yet decided how this shall be done or who will do it."

Lester W. Lewis is president, Frank W. Baker, vice-president and William B. Shoemaker, cashier of the Commercial State Bank.

The last statement of the bank shows \$200,000 capital stock, \$40,000 surplus and deposits of \$558,072.

WENATCHEE INVITES WASHINGTON CONVENTION

A meeting of the Washington executive council will be held shortly to decide upon the place and time for this year's convention. A very cordial invitation has been received from the associated bankers of Wenatchee, heartily concurred in by the Wenatchee Commercial Club and the North Central Washington Bankers League, to hold the 1911 convention in Wenatchee, some time during September, when the fruit crop is being harvested and the Wenatchee Valley is at its best.

AMERICA HAS GRAIN SURPLUS

Whatever else may be said of the season's very remarkable movement of prices, one thing is certain—a supply of grain and provisions in excess of consumptive requirements confronts the trade at present. How long it will last or how much lower prices will go is a problem difficult to answer. Bankers, however, are hoping that prices will yield to a point where Europe will become freer buyers. Conditions at present are practically the reverse of those prevailing in the last five years, and prices seem to be working to a generally lower level. There seems to be a surplus of grain and provisions the world over, and should the crops turn out in this country as yesterday's report by the government seemed to indicate, a still lower level of prices may be expected.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
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T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier



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Undivided Profits
\$9,000,000**

**Accounts of Corporations, Firms and
Individuals Solicited**

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EDMUND D. HULBERT, Vice-President	C. E. ESTES, Assistant Cashier
FRANK G. NELSON, Vice-President	LEON L. LOEHR, Sec'y and Trust Officer
JOHN E. BLUNT, Jr., Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dept.
J. G. ORCHARD, Cashier	H. G. P. DEANS, Mgr. Foreign Dept.

DIRECTORS

ENOS M. BARTON, Chairman, Board of Directors, Western Electric Company	THIES J. LEFENS, Capitalist
CLARENCE A. BURLEY, Attorney and Capitalist	CYRUS H. McCORMICK, President, International Harvester Company
E. H. GARY, Chairman, Board of Directors of the United States Steel Corporation	JOHN S. RUNNELS, Vice-President, Pullman Company
WILLIAM A. GARDNER, President, Chicago and Northwestern Railway Company	EDWARD L. RYERSON, Chairman, Board of Directors, Joseph T. Ryerson and Son
EDMUND D. HULBERT, Vice-President	ORSON SMITH, President
CHAUNCEY KEEP, Trustee, Marshall Field Estate	MOSES WENTWORTH, Capitalist

ALL BRANCHES OF BANKING



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Los Angeles

Walter J. Sherwood, who for sixteen years has been a prominent real estate man of Chicago, has become associated with the firm of Swank and Letton, of Los Angeles and has assumed the management of the city homes and lot department. He expects to make Los Angeles his home and has purchased a residence.

T. W. Phelps, who was vice-president of the American National Bank of Los Angeles until the consolidation of that institution with the Citizens National some time ago, and who has been a prominent financial man of the city for many years, died recently.

In the April number of The West Coast Magazine J. A. Graves, vice-president of the Farmers and Merchants National Bank, contributes delightfully interesting "Reminiscences of the San Francisco Bar."

The Moneta Commercial and Savings Bank is ready for business in their new building. The officials of the new institution are C. B. Casler, president; H. L. Harris, vice-president; F. G. Baldrige, cashier. The bank has a capital of \$25,000.00.

The National Bank of Alhambra has received its charter for a capital stock of \$50,000.00.

As one result of a complete change of personnel and policy of the All Night and Day Bank (which does not keep open all night) it is shown that the deposits have grown from a little more than \$800,000, January 1st, to \$1,200,000 at this writing. With this increase in the total there has been a decrease in the number of depositors, the flock of persons who do business in small amounts having rapidly di-

minished as the bank put into effect the real banking rules. Now that the concern is in the hands of men who are affiliated with some of the largest banks in Los Angeles it is not antagonized by nor antagonistic to the clearing house.

IOWA BANKING CHANGE

Former Bank Examiner J. Olson, for twelve years associated with the Winnebago County State Bank, Forest City, Iowa, has bought the banking interests of F. L. Wacholz, who for eighteen years has been associated with First National as assistant cashier and director. Former Cashier R. C. Plummer will be vice-president, B. A. Plummer will be president, and Mr. Olson the cashier. The transfer amounted to about \$20,000. Mr. Wacholz will go West.

Minnesota has more than \$23,000,000 at interest, bringing in nearly \$900,000 a year. The investment is larger than that of any state except Texas. Of this amount there is in the university and school funds \$17,558,163. The money is largely the result of sales of lands and timber and ore on state lands. Contracts are out with land settlers for \$6,000,000 more. The state has discontinued investing outside its limits.

L. MANASSE

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CHICAGO

ESTABLISHED 1868

SPECTACLES AND EYE GLASSES SCIENTIFICALLY FITTED AND ADJUSTED
EXAMINATION FREE OF CHARGE

San Francisco

E. L. Bailey, vice-president of the Bank of Northern California, was found in a cemetery at Redding recently, lying across the graves of his two wives, with a bullet hole in his head and an empty revolver by his side. The following note was found on his body:

"I am weary and worn, and physically and mentally unable to bear the load."

A school savings bank system was formally endorsed by the Board of Education of San Francisco last week, that body adopting a resolution authorizing the establishment of such a system in the department. The arrangement of the details of the banking system is still in the hands of a special committee, of which Director Power is chairman.

The 75th annual report of the Bank of British North America has been received and is being distributed by G. B. Gerrard, of the San Francisco branch agency. This bank, which has its headquarters in London, is under the general management of H. Stikeman, of Montreal, and has some 80 branches and sub-branches scattered throughout the Dominion of Canada from the Province of Quebec to the Yukon district. Branch agencies have been established in the United States, at New York and San Francisco.

A meeting of the directors of the Bank of Yolo was held Saturday for the purpose of electing a successor to the late A. D. Porter, who was president of the institution when he died. The choice was unanimous, and fell upon John Wohlfrom, who was one of the organizers of the bank, and has been vice-president for many years. H. H. Gable was elected vice-president.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECATEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMITH, Auditor

Reserve Agents for National Banks

NEVADA BANKING BOARDS

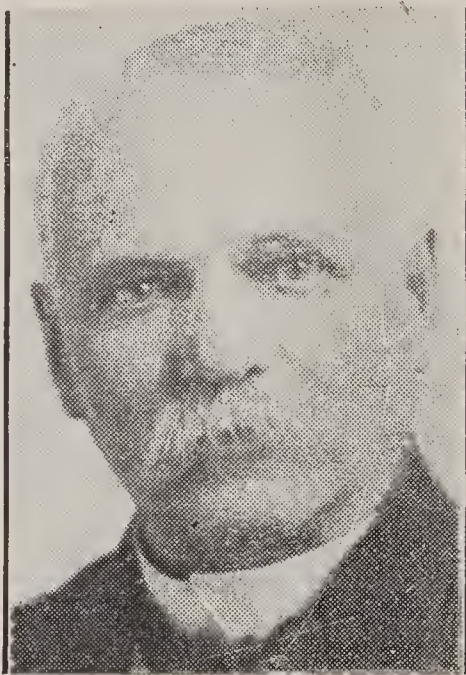
Dr. H. E. Reid, of Reno, at present a regent of the University of Nevada and a former assemblyman of Washoe county, has been appointed a member of the state banking board by Governor Oddie.

CRAIGE LIPPINCOTT'S ACTIVITIES

Craige Lippincott, the millionaire publisher, who committed suicide in Philadelphia was a director of the Farmers and Mechanics National Bank and the Pennsylvania Company for Insurance on Lives.

Des Moines, April 13.—The sudden death of James Watt, president of the German Savings Bank of Des Moines while on a train near Newton, Kansas, en route to Texas, has removed one of the best known bankers in Central Iowa. News of the death of Mr. Watt came as a complete surprise to his relatives and associates in Des Moines. He had left Des Moines in comparatively good health although he complained of not feeling at his best.

The body was taken off the train at Newton and brought back to Des Moines for interment Sunday. Deceased was 69 years old and is survived by his wife and his father, aged 90, who is in precarious health. Mr. Watt had resided in Des Moines for many years. He was for twenty years engaged in the wholesale grocery business but ten years ago, he be-



JAMES WATT
Des Moines Banker who Died while on Journey

came identified with the German Savings Bank. He was also interested in the bank at Carlisle and the bank at Beveridge. Mr. Watt had always taken a great interest in his fellowmen. He had been president of the Iowa Humane Society for a number of years. He was also chosen as president of a driving club organized by Des Moines horsemen a short time ago. The funeral was largely attended.

Decision on Taxing Stocks

An important decision involving the rights of owners of corporate stock to offset assessments thereon with personal debts has been given. In the case brought by Morrell against County Treasurer Bentley of Waterloo, the supreme court held that corporation shares of stock are not credits within the meaning of the law and refused the right to deduct debts. In a similar case in Polk county in September, Judge McHenry held to the contrary, so that the decision in the Black Hawk county court is expected to presage that Judge McHenry will be overruled in his decision as to the Des Moines cases. The decision is of much importance to cities and counties and will add not a little to the assessable valuation of each.

Mental Strain Kills

Excessive mental strain is thought to have

caused the illness from which P. M. Joice, formerly a well known banker at Lake Mills, died at St. Paul last week. At the time of his death, Joice was under indictment in the federal courts charged with violation of the federal banking laws. He was to have been tried in June at Ft. Dodge. Joice was taken to his bed at Thanksgiving and his death was not unexpected. His downfall was due to heavy investments in land which failed to materialize in values with sufficient rapidity to keep up the payments. He floated bad paper, covering up one questionable transaction with another and another. At the time of his indictment he had disposed of his banking interests at Lake Mills and had removed to St. Paul.

Signs Banking Bill

Governor Carroll has signed the bill passed by the senate and house of representatives fixing a flat rate of five mills on moneys and credits and providing for the assessment of bank stock at 80 per cent of the actual value at the rate of taxation in the district in which the bank is located. The Balluff bill to permit savings banks to invest their funds in real estate outside of Iowa and in real estate in cities of 100,000 or over failed to pass. The senators attacked the bill as a measure to take Iowa money outside the state. However on the roll call, the vote was 23 to 21 with 26 votes necessary to passage. The senators in the towns and cities along the borders of the state were for the bill. A similar measure died in committee at the session two years ago.

Change of Bank Ownership

An important change is announced in the ownership of the Hardin County National and the Hardin County Savings Bank at Eldora. A contract has been drawn up providing that on June 15th, 202 shares of the former and 101 shares of the latter will be transferred from Mrs. Fanny W. Crockett and Lois and Gilman Wisner to Moser Bros. The price is to be \$39,000. For many years the institution has been in the hands of the Wisners and has been known as "The Wisner Bank." H. H. Turner, cashier of the Farmers Exchange at Steamboat Rock will become cashier of the Eldora institution after the transfer. S. McKeen Duren, who has been president of the institution and connected with it for forty years will retire at the end of the year.

Another important change is reported from Sanborn where the ownership of the Sanborn State has passed from C. D. and M. W. Ellis of Charles City to Sanborn parties. Ellis and Ellis organized the institution twenty-eight years ago at which time Morton Wilbur, now cashier of the Security Trust and Savings of Charles City, took charge of it until the Security was organized. The Ellis interests will concentrate their efforts in the First National and Security Trust and Savings at Charles City. The transfer occurred April 1st.

Cashier Disappears

George C. Anderson, cashier of the Vincent Savings at Vincent, a small town near Fort Dodge, has disappeared leaving behind him a shortage of \$20,000. A bank examiner notified the officials that some of the paper was missing and that some loans had been made on bad security. Anderson when summoned before the directors turned over deeds to his real estate which the directors at that time thought would be sufficient to cover the shortage. Af-

ter Anderson had gone, it was found that the deeds were not sufficient to make the amount good. Anderson is thought to have been careless in loaning money to relatives in Canada. It is thought that he has gone to the relatives to see if they can assist him in making good his shortage.

Draft Unpaid for Many Years

O. J. Dutton of the bank of Grand Junction was somewhat surprised last week when he was confronted with a draft issued by the bank December 10, 1894. A Des Moines institution had sent it to him to ascertain if it was good. Although Mr. Dutton had issued over 50,000 Chicago drafts in the seventeen years that had elapsed since the one in question was issued he did not hesitate to pronounce the paper O.K.

Iowa Miscellany

The house of representatives has passed the Bowman bill making the number of state bank examiners seven instead of six and providing for a new scale of inspection fees as explained in THE CHICAGO BANKER recently. It is expected that the bill will pass the senate.

Hans Kruse, a well known Ogden banker, was found dead in the barn at his home. Heart disease is thought to have caused the death.

The McCook interests in the bank at Fredericksburg have been purchased by T. Donovan, Guy Padden, Charles Larsen and G. M. Bigelow. Mr. Padden will be cashier.

Anthony Burdick has formally resigned from the presidency of the First National at Davenport and Albert F. Dawson has been elected his successor in accordance with plans made some time ago. Mr. Burdick was given a vote of thanks for his twenty-five years service as head of the institution. He remains as chairman of the board of directors.

A. Bierkamp has purchased the interests of F. C. Langfelt and J. H. Meyhaus in the Durant Savings at Durant.

The Davenport Savings celebrated its forty-first birthday April 1st. It was opened with a capital stock of \$12,000 and is now doing business on a capitalization of \$300,000. As a birthday greeting, a semiannual dividend of 6 per cent was declared.

South English is to have a new bank, the institution to have a new building. W. N. Horn has been chosen president; William Grove, vice-president; John M. Van Kirk of Scott City, Kansas, cashier; directors are Adam Brower, C. G. Clark, John Wenger, Isaac Niswander, William Palmer and Bert Noffsinger.

The Thayer Bank was opened at Thayer Monday with a capital stock of \$10,000. J. A. Parsons is head of the institution and B. J. Parsons is cashier.

The Magnolia Savings at Magnolia announces the construction of an addition to the institution and the installation of a new vault.

J. T. Turner, who has been a Johnson county banker for many years, celebrated his ninetyeth birthday last week.

The comptroller of the currency has approved the application for organization of the First National at Dexter. The capital stock will be \$25,000. The organizers are Allen T. Percy, B. F. Meyers, B. C. Hemphill, F. F. Winsell and M. F. Palmer.

The Johnson County Savings Bank at Iowa City has completed plans for expenditure of \$35,000 on its bank building. The bank will install three steel lined cement vaults and modern banking facilities throughout.

Harry Blackburn, cashier of the Iowa National, accompanied by his wife and son, Mortimer, sailed from San Francisco on a two months' trip to China, Japan, Manilla and Honolulu. Mrs. Blackburn and the son have been in California for some weeks.

Matthew S. Nolan of Lamont has been



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BURROUGHS INSPECTION SERVICE—keeping the machine in absolute repair and working order, and furnishing another in case of an accident.

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who uses a Burroughs whether he'd part with it for the original price.

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To make Burroughs Service real to you we conduct three important departments.

The new systems of all the users of Burroughs Machines—and especially those of bankers—are turned into our Systems Department and remodelled to meet your needs and sent you—for instance, a new way to get out collection letters quicker and easier. That is Burroughs Systems Service.

Accidents may happen—perhaps to your Burroughs. Our representative (within easy reach) will repair it, and place another machine, free, while doing so. Every now and then he'll clean the parts of the machine, anyway. That is Burroughs Inspection Service.

On one of the floors of our factory, keen-brained men are working out better and more useful machines for you. That is Burroughs Inventions Service.

And consequently you get the uninterrupted service of the machine—a continuous return on your investment.

Just a little suggestion of what the Burroughs *can* do—a complete resume of the day's dealings in a few minutes at the end of the day is possible with its use.

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You'll find it really worth your while

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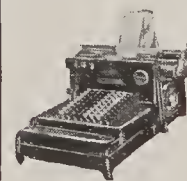
Roster 2213

The Burroughs is a machine (typewriter size) with which a boy can handle figures rapidly and always accurately.

Depressing keys puts figures "into" the machine. Pulling a handle prints them in even rows and adds them. Pressing a button while pulling the handle prints the total.

It also subtracts, multiplies and divides.

Burroughs are made in 78 models, priced by what they do—from \$175 to \$850—and sold on easy terms.



PIKE MODEL

One or two colors; visible printing; hand or electric operation; low, flexible keyboard; typewriter carriage

chosen cashier of the People's State at Mason City.

Leo H. Paulger has been installed as cashier of the Security Savings at Cedar Falls succeeding his father, Fred W. Paulger, who died some weeks ago at Hot Springs.

S. P. Clark has resigned as cashier of the Ogden State to accept a position in a bank in Oklahoma City.

W. J. McLennon, formerly cashier of the Citizens Bank of Afton, has been acquitted of two charges of embezzlement and forgery. The judge dismissed the charge of embezzlement and instructed a verdict for McLennon on the charge of forgery. The court failed to find any evidences of criminal action on the part of the accused man.

C. M. Mathison, said to be a forger, escaped from the window of a hospital at Keokuk where he had been taken to have his appendix removed.

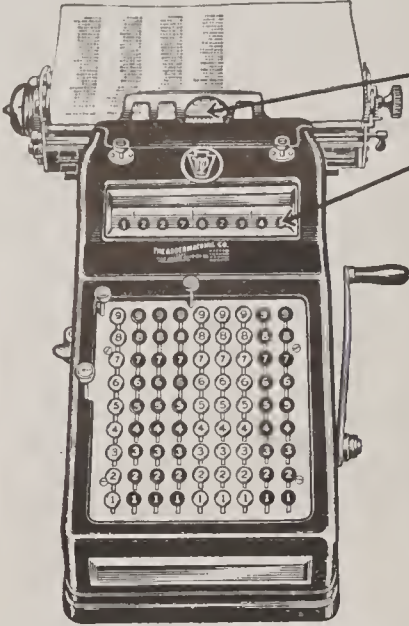
The Iowa Savings Bank of Oelwein will increase its capital from \$30,000 to \$60,000.

HIGH RECORD OF EXPORTS

Imports of pig tin and exports of tin plate promise to make their highest record in the fiscal year which ends less than 90 days hence. The eight months' record of tin imports shows a total higher than that of the corresponding period of the former high record year, 1910, and the export record of the eight months' period of the fiscal year 1911, also shows a larger total of tin plate exported than in the corresponding period of the high record year in the outward movement of that article, 1908. The total importation of pig tin in the eight months ending with February, 1911, was 68 million pounds, against 66½ million in the same months of the preceding year, when a new high record was established, and the exports of tin and terne plates in the eight elapsed months of the current fiscal year aggregated 24 million pounds, against less than 12 million in the same months of 1908, the former high record year, and 15 million pounds in the corresponding period last year.

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Adding and Listing Machine

THE WALES is the one machine that combines exclusive features of convenient operation with mechanical perfection of construction.

Some of these features are the Self-Correcting Keyboard—that corrects automatically when the right key is pressed—and the Non-add key that adds without printing.

It is the only machine that is perfectly visible at every operation, showing totals and printing, in the same field of vision.

A glance gives you the number as it prints and the total up to that point. In construction the WALES is superior to all others.

5-Year Guarantee

The WALES is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee when the WALES gives you five times more protection? Ask about our 30-day free trial. Mail the coupon for descriptive literature.

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

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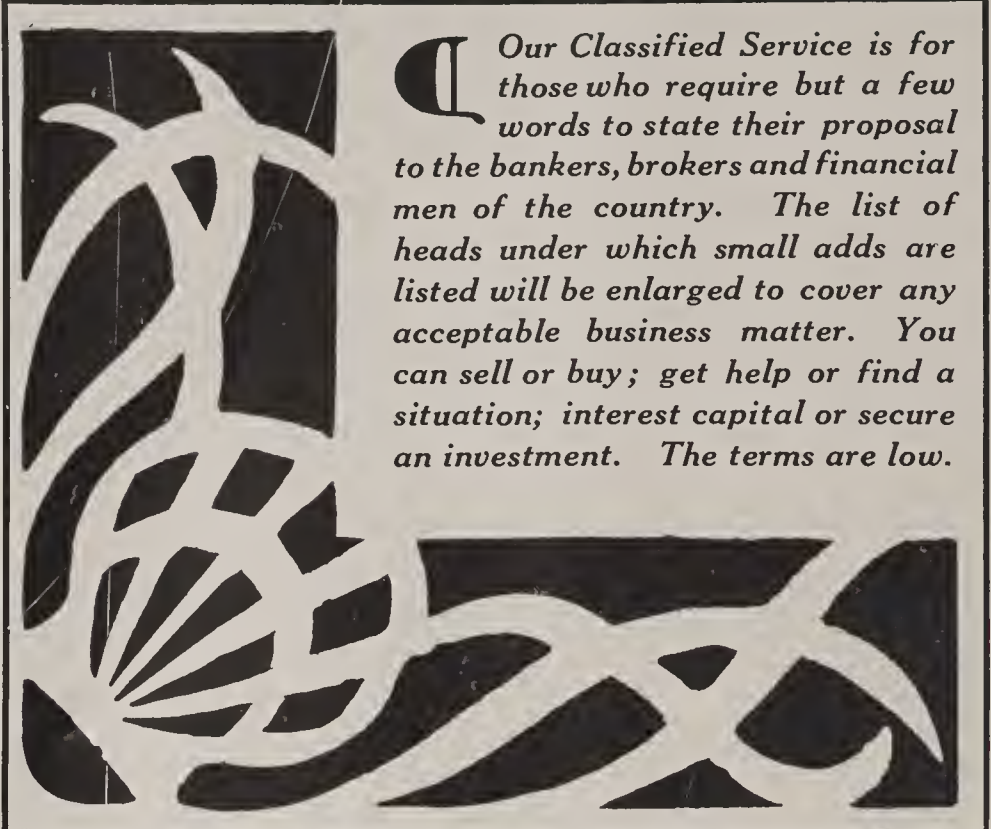
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worth a thousand in the
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Smith's Financial Dictionary

By HOWARD IRVING SMITH

Recently Issued

Cloth. 543 Pages. Price, \$4.50

This work is indispensable to a bank in answering questions that daily arise. It is the only Financial Dictionary published. It is more than a Dictionary, however; it is likewise an Encyclopaedia. It describes in fullest detail, in clear language, Banking, Money, Credit, Securities, Contracts, Commercial Paper and other Negotiable Instruments, Domestic and Foreign Exchange, Speculation in Stocks and Bonds, Grain, Cotton, Coffee, Provisions, etc. It is a complete financial library in itself.

Smith's Financial Dictionary is adapted not alone for banks and bankers, but for corporations, brokers, exporters, importers, manufacturers and merchants, and also for lawyers. It is an entirely new work, consisting of 543 large pages, printed from clear type, on superior paper, and strongly bound. It contains no advertisements.

THE CHICAGO BANKER

MONADNOCK BLOCK

CHICAGO

MID CITY BANK IS OPEN

The Mid-City Trust and Savings Bank has opened for business in its new six-story building at Madison and Halsted streets. The bank is capitalized at \$500,000, and a sufficient surplus has been raised to pay for the building, which will be carried on the books at a nominal figure of \$50,000. The officers are: President, William J. Rathje; cashier, Robert Forgan; assistant cashiers, D. B. Kennedy and Herman Schwerdtfeger.

MINNESOTA NOTES

The State Bank of Kilkenny, Minn., has been incorporated at \$10,000. Officers are: President, Jacob Lampert; cashier, J. E. Stanby.

Again the Interstate Protective Association has had an inning with yeggmen, who were found guilty at Hudson, Wis., by name as follows: Frank Daniels, alias Francisco Danny; George Williams, John Howe, Frank Mulvaney, John

Webb and Frank Smith. John M. Bernhagen, special attorney for the association, attended the trial.

The state bank superintendent has put banking hours into effect at his office. The department force goes to work at 10 A. M. and at 4 P. M. the doors are closed. Kelsey S. Chase, the new incumbent, put the rule into effect.

An entire second floor in the annex to the Security Bank Building erected by William Deering of Chicago has been leased by the bank. This is a mazzanine floor when compared with the bank's regular quarters on the ground floor of the building. It will be utilized for departments that will be moved to make more room for the transit department of the bank. Some heavy cutting will be done to get through the bank wall into the annex and then a stairway will be built. Work will begin Monday. This space will be in addition to that recently gained by moving the Minneapolis Clearing House Association from a room in the bank to the basement of the building.

NEW IOWA SENATOR HERE

United States Senator-Elect W. S. Kenyon of Iowa, upon whom a toga was bestowed Wednesday, arrived in Chicago Thursday and led the government legal forces in resisting the efforts of counsel for the beef packers to overthrow the charges of violating the anti-trust law.

"I'm very happy," said the newly elected senator. "The boys stood by me in this long-drawn-out fight. Just now, however, I am intensely interested in the arguments before Judge Carpenter."

OTIS ON BOSTON VISIT

Joseph E. Otis, president of Western Trust and Savings Bank, is making a brief visit in Boston.

MR. REYNOLDS IN NEW YORK

Geo. M. Reynolds is spending a few days in New York City.

ONE OF THE NEW BOOKS

Bobbs-Merrill Company can always be relied upon to produce something interesting. Their latest output, "The Prodigal Judge" by Vaughan Kester, promises to have all the popularity that is accorded their other books. Unlike most stories from the very variety of interests, the author nevertheless contrives to steer his numerous characters into the desired haven. Taken to North Carolina and Tennessee in the days when Jackson was president, the reader soon finds himself in the midst of all sorts of mystery, adventure, and villainy, and his interest is not allowed to pall for one instant until he has reached the end of the four hundred fifty pages. The cause of all these happenings is an orphan lad called Hannibal, who, left on the doorstep of old General Quintard's home, The Barony, one night, was subsequently adopted by Bob Yancy, a backwoodsman of the rough, big-hearted type who was thoroughly contented with things as they were, as his "nevy," and whose mysterious connection with a large estate led to many attempts at kidnapping him by a gang of nefarious men headed by Murrell, than whom a more able person for evil doing, whether it be horse or slave stealing, counterfeiting, or murder, can scarcely be conceived. As may be ascertained from the title of the book, Judge Slocum Price is the hero, and although there is at first a question as to the fitness of the name to one so very dirty and shabbily clad, who conceived it as his especial duty to be in a state of intoxication whenever he could procure the wherewithal, his claim to this appellation is soon explained by the originality of his portrayal, his optimism and loyalty, and his eventual forswearing of intoxicants and the assumption of his rightful place among his fellowmen. Mr. Kester has not lost sight of romance in his story, and Betty and Carrington afford many a charming, sentimental scene with a happy outcome in spite of Murrell's designs on our heroine. For artistic commingling of humor and thrills with tragedy, and for the skillful working out of a very complex and intricate plot, the story would be hard to equal.

LAURIER PUSHES RECIPROCITY

Ottawa, Ont., April 13.—An unofficial but reliable announcement indicates that the ministry has determined to push the reciprocity debate to a conclusion at the earliest possible date. It is almost three months since the minister of finance brought down the reciprocity agreement in the house of commons. The debate has since then dragged on in the most tiresome way, the evident intention of the government being to allow the opposition the greatest latitude in discussion.

After the adoption of the present resolution the minister of customs will introduce a bill amending the Canadian customs act, and embodying the necessary changes in the act. This bill will have to pass three readings. There being no closure rule in the commons there is practically no limit to the time that may be spent in such discussions. But the government has many ways of forcing action, and it is thoroughly understood here that the program of the government leaders is to do so.

TAFT HONORS NEGRO BANKER

The position of register of the treasury has for a number of years been held by colored men from various sections of the country until it has been designated as one of the choice places that fall to the lot of the colored politician. The President, however, in selecting Hon. James C. Napier, of Nashville, Tenn., has ignored the clamor of the politician and his choice was a business man and one of the finest specimens of the colored race in Ameri-

ca. Mr. Napier by profession is a lawyer, but has found time to devote to the business of banking in his home town. He organized the One Cent Savings Bank of Nashville, Tenn., and acted as its first cashier until the institution was fairly launched. He is chairman of the executive committee of both the Colored Bankers Association and the National Negro Business League and a member with President Taft of the Jeans' fund committee.

REDUCE CREDITS ABROAD

International bankers have considerably reduced their credits abroad through the sale of foreign exchange during the recent advance in quotations, but there has been no general calling of foreign loans, as rates abroad still compare favorably with those current here. London is virtually on a $2\frac{1}{2}$ per cent basis. Berlin is a shade under 3 per cent and Paris $2\frac{1}{4}$ per cent, while New York call loans cannot be put out as a rule above $2\frac{1}{4}$ per cent. Only 3 per cent is bid in New York for six months' facilities and $3\frac{1}{4}$ for over-the-year accommodations.

BANKERS IN APRIL FIRST JOKE

Kansas City bankers had an experience with an April fool joker which hurt nobody and brought about a good deal of fun at the expense of the credulous financiers. On Saturday, April 1st, after the regular half day's business and finished at the New England National Bank, and President J. F. Downing was well on his way to the Country Club golf links, there began to gather at the bank, officers of other financial institutions who said that they had been invited to luncheon with Mr. Downing. The bankers dropped in by ones and twos and finally by groups. For more than an hour the mystified officers of the New England Bank wondered why Mr. Downing did not return to greet his guests but Mr. Downing himself was far out in the country working up an appetite for a dinner he was giving in the evening. Finally it dawned upon the assembled visitors at the New England National that they had been fooled by somebody and they laughingly dispersed. Later Mr. Downing said he knew absolutely nothing of the invitation.

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has sung her favorite numbers
(the first records of her golden
voice ever made) exclusively
for the

Columbia






Photo by Otto Sarony & Co.

At last we are able to offer to the great Columbia audience records sung by Mme. Fremstad, premiere soprano of the Metropolitan Opera. Her voice is beyond all question one of the richest the world has known. Powerful, sweet, clear and brilliant, it is a combination of vocal qualities of rare beauty and excellence. And these records are a revelation of the amazing manner in which the perfected Columbia process of recording reflects the individual powers of the singer.

These Fremstad records, like all Columbia disc records, may be played on any disc machine—Columbia or Victor, and will outlast any other make of disc records. Hear them at any Columbia dealer's.

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Creators of the Talking Machine Industry. Pioneers and Leaders in the Talking-Machine Art. Owners of the Fundamental Patents. Largest Manufacturers of Talking-Machines in the World. Dealers wanted—Exclusive selling rights given where we are not actively represented.

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FOR SALE—Miscellaneous

For Sale Cheap. 48 feet quarter sawed oak, bronze and beveled cut glass bank fixtures. These fixtures can be fitted to almost any style room, and consist of the best quarter sawed white oak counter with bronze grille, capped with a row of French beveled plate glass. Included in these fixtures is a cashier's office, two tellers' windows and a collector's window, together with cupboards for the storage of supplies, etc., under all the counters; three quarter sawed oak standing desks, one desk having storage cupboards at each end. Also quarter sawed oak check desk with check racks, etc., for lobby. For prices, further particulars and photo, write the **Hannibal National Bank, Hannibal, Mo.**

5x7 Graphic, focal plane, Turner Reich lens in Koilos shutter case and six holders. Cost \$165. Little used and just like new \$90 Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, r.c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goetz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

FOR SALE—Farm Implements

O'Neil Implement Co., La Salle, Ill., have on the market CONSERVING carriers and EXPANSION spreaders that increase the value of MANURE and save so much time and labor that they are the best paying investment a stock or grain farmer can add to his equipment.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER.

407 Monadnock Block, Chicago.

HARRISON OUTLINES POLICY

Mayor Harrison says: "The people approved the bridge bond issue and the Center Pier bridges must be removed immediately. Start on the subway project will be made during my term. I shall oppose all public utility legislation at Springfield. The gas question will be determined during the early days of my administration. It is a proposition exclusively for the council to determine. There should be no delay in getting the Hagenah report before the subcommittee."

Department of New Business

NORTHWEST

Allen, Mich.—The Allen State Bank has filed articles of organization with a capital of \$20,000. W. N. Bengé is president and D. W. Brockway, vice-president.

Triumph, Minn.—Steps are being taken here to organize a national bank, of which A. Lane of Minneapolis is to be the head. The institution will have a capital of \$50,000.

Danzig, McIntosh County, N. D.—The Farmers State Bank has been organized by George Gackle, Peter Billigmeier, Chris Hieb, Michael Hieb of Kulm. George Schlechter and Emanuel Schlechter of Bowden, N. D., are promoters.

Volga City, Iowa.—The Farmers State Bank has been organized here with a capital of \$25,000.

Loyalton, S. D.—The Farmers & Merchants State Bank, with a capital of \$10,000, has been organized.

WEST

Saguache, Colo.—First National Bank of Saguache, Colo., capital, \$60,000. A charter was issued to the Laurel National Bank, Laurel, Neb., capital, \$40,000.

Trinidad, Colo.—The International State Bank is the title of a new institution being organized in this place. John Aiella and others are interested. Capital, \$100,000.

Yuma, Colo.—First National Bank, of Yuma, Colo.; capital \$25,000; J. W. Campbell, of Yuma, Colo.; W. D. McGinnis, H. C. Hoch, J. B. Campbell and W. A. Sheedy.

Okmulgee, Okla.—A new trust company is being organized by T. A. Johnson of Morris, S. F. Shumaker of Chicago and Judge McCrary of Muskogee.

Harrisburg, Ore.—The Farmers and Merchants Bank has been organized with a capital stock of \$30,000. W. H. Dale, J. Sommerville, G. McCart and others are promoters.

Stayton, Ore.—The Farmers and Merchants Bank is the title of a new institution.

Albany, Ore.—Articles of incorporation for the Farmers and Merchants Bank, to be established at Harrisburg, have been filed. The capitalization is \$30,000, and John Sommerville, W. H. Dale and George McCart are named in the articles.

Milton, Ore.—Articles of incorporation for a new bank have been filed, to be known as the Farmers Security Bank, by W. E. Jones, W. W. Wasser, F. M. Kent, N. T. Manela, Robt. McEwan, S. D. Peterson and H. A. Williams.

EAST

Livingston Manor, N. Y.—Livingston Manor National Bank, capital \$25,000; William Smith, Livingston Manor, N. Y., W. H. McGrath, L. Buboio, W. O. Ensign and J. G. Stevens are the organizers.

North Rose, N. Y.—First National Bank, of North Rose, N. Y.; capital \$25,000; Frank Hill, of North Rose; R. H. Cole, T. B. Welsh, G. W. Marshall and John Hill are the organizers.

East Berlin, Pa.—The Peoples State Bank is a new enterprise. Noah W. Sell is president, Z. E. Crammer, George B. March and F. Altland, vice-presidents, and William P. Baker, cashier.

Rome, N. Y.—Rome Trust Company is the name of a new financial institution just organized with a capital stock of \$100,000.

Shelton, Conn.—The new Shelton Bank and Trust Company has elected the following officers: President, Walter W. Radcliffe; first vice-president, Stephen T. Palmer; second vice-president, John A. Birge; secretary and treasurer, Edward W. Kneen.

SOUTH

Fernandina, Fla.—Citizens National Bank, of Fernandina, Fla.; capital \$50,000; Carl Warfield, of Fernandina, Fla.; J. R. Hill, S. A. Swin, W. D. Bogart and L. A. Wye.

New Iberia, La.—The Louisiana State Bank is a new enterprise.

St. George, S. C.—The new Industrial Trust Company has elected the following officers: W. P. Shuler as president, Walker S. Utsey, vice-president, O. B. Dukes, treasurer and J. Olin Horne, secretary.

Devereux, Ga.—The Bank of Devereux has filed articles of organization with a capital of \$25,000 by J. M. Moate, E. R. Fox, J. M. Courson, D. L. Butts, W. A. Bass, T. M. Coleman, C. W. Coleman and others.

Bluefield, W. Va.—The Dollar Savings Bank has been chartered with a capital of \$25,000. J. Lee Horne, W. C. Given, B. W. Dobins, G. C. Dick and others are promoters.

Jackson, Tenn.—The Mercantile Trust Company has been organized with a capital of \$100,000. R. B. Hicks, S. D. Waddell, I. B. Tigret, R. F. Spragins, F. B. Fisher and others are promoters.

Maury City, Tenn.—The Planters Bank has been chartered with a capital of \$10,000. J. D. Riddick, J. H. Eason, J. B. Ezell, J. F. Peal, R. L. Eason and others are promoters.

Washburn, Mo.—The Bank of Washburn is a new enterprise. R. A. Winder is president, E. C. Haygood, vice-president and L. J. Paul, cashier.

McKinney, Tex.—R. E. Chambers succeeds G. M. Alsop as cashier of the Continental State Bank.

Swan, Tex.—The First State Bank has filed articles of organization with a capital of \$10,000. Bruce Wheeler, C. F. Powell, E. S. Roberts and others are promoters.

Beasley, Tex.—The First Guaranty State Bank has filed articles of organization with a capital of \$10,000. O. C. Orbeck, W. J. Otto and others are promoters.

Pittsburg, Tex.—The First Guaranty State Bank has been organized. Capital, \$35,000. S. R. Greer, president; J. M. Clark, vice-president, and C. G. Engledow, cashier.

Newlin, Tex.—The Farmers State Bank has filed articles of organization with a capital of \$10,000. Charles Drake, J. O. Hemphill and others are promoters.

Streetman, Tex.—The First State Bank has increased its capital stock to \$20,000.

Harleton, Tex.—W. L. Berry is president, R. W. Taylor, E. L. Peteet, P. O. Carver and W. N. Peal, vice-president, and W. N. Greer, cashier of the new First State Bank. The capital is \$10,000.

Sherman, Tex.—The new American Bank and Trust Company reports capital of \$100,000. W. C. Eubank is president, D. S. Thompson, vice-president and Barlow Roberts, cashier.

OKLAHOMA BANK CLOSED

Oklahoma City, Okla., April 13.—The Planters and Mechanics Bank of this city has closed its doors. It is in the hands of the state banking board. Announcement was made that depositors will be paid in full. The bank's capital was \$50,000.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

and office equipment most of which is of special design.

McKAY, SCHROEDER AND WALKER, the Chicago committee of clearing experts at work on the numerical transit plans of the clearing house section will go down to the Nashville meeting on the Chicago special de luxe.

OUR little bon mot on the Judson-Rickards and Company notification letter wasn't a big hit with either party. Something like the family peacemaker and other well intentioned individuals. To set you all right we give space to a short letter from Robert R. Forgan, secretary of the W. T. Rickards company. It reads:

"WE notice in your issue of Saturday a paragraph referring to a notice sent out by us relative to the retirement of Frank P. Judson from our company, and wish to correct an impression which we believe you have, and which possibly the readers of that paragraph might have, by stating that the notice to which you refer was sent only to the banks in Chicago with which we carry accounts. It is customary for concerns to notify their banks of deposit when an individual who has been authorized to sign checks, notes, etc., withdraws, and such a notice to our banks of deposit was the only notification of any kind sent out by us. Mr. Judson in withdrawing from our company did so of his own accord, and has our best wishes and respect, and we believe that the kindly feelings which we have towards him are reciprocated."

NOT long since Iowa had a love feast at which J. H. Ingwersen spoke on "What's the Matter with Iowa?" The loss of population was the nut which was to be cracked. This paper commented upon it at the time but now comes the Commercial West with its notion of the solution. That good journal says:

"WE think Mr. Ingwersen ducked, or at least 'begged the question,' when he came to the matter of state banking laws. The one great defect in Iowa's banking code is in permitting the existence of private banks; and this point was omitted entirely in Mr. Ingwersen's review. We should like to see the Iowa Bankers Association get behind the bill now before the Iowa legislature bringing private banks under the same supervision as state and savings banks. It is entitled to such support and of all right-minded bankers. Just what this kind of a law would do towards holding Iowa's population, we shall not presume to say, but this is one of the conspicuous things in which the great state of Iowa trails way in the rear."

OF course Iowa has lost "population" (and some deposits) through the tendency of her private bankers to seek more salubrious climates at times.

THIS isn't the main question, however, it appearing to the best minds that Iowa having reached the climax as an agricultural state with the accompanying high prices for lands must develop her manufacturing industries to attract immigration. Iowa leads in the number of banks and raises up young bankers who come to Chicago to astonish the world. A first-class banking law, putting all forms of banking under supervision and inspection would help some, even in Iowa.

WHILE bankers in Illinois are fighting the loan shark evil, bankers in Missouri are said to be petitioning the legislature against the bill to prohibit assignment of wages. Stores in Missouri do a large part of their credit business on such assignments. Thus

what is an undoubted evil here is a convenience over there.

IT is understood that the New York Central is trying to bring the A. B. A. convention to Chicago this year. Possibly such things could be overdone, for the travel route isn't the only thing to be considered.

DIRECTORS of the LaGrange (Ill.) State Bank announce the resignation of C. L. Sackett as president. Mr. Sackett has been identified with the bank since its organization. He will retain his interest in the bank and will continue to act as a director. L. C. Bassford was elected president to fill the vacancy caused by Mr. Sackett's resignation. H. B. Kilgour will be the active executive officer.

MR. AND MRS. GEO. E. FOREY, of Anderson, Indiana, spent several days in Chicago last week. Mr. Forey is the Indiana representative of the house of Breed and Harrison, Cincinnati, and reports business conditions in Indiana as being satisfactory.

JUDGE FRANK DALE, vice-president of the Guthrie (Okla.) National, called on his old friend, L. D. Skinner, assistant cashier of the Central Trust last Saturday. Judge Dale is a pioneer citizen of Oklahoma and presiding as chief justice of the supreme court of that state for a number of years. The Guthrie National is the oldest national bank in Oklahoma and the judge reports their business as being entirely satisfactory.

EDWARD MORRIS is given credit for the creation of the Mid-City Trust and Savings Bank, installed in a magnificent new home on the West Side on Monday last. The new building is a beauty and the cost is put down at \$250,000.

THE new bank building is fireproof, six stories high, and is equipped with modern vaults. W. J. Rathje, for years at the head of the Peoples State Bank, owned by similar interests, Wm. A. Heath, John A. Spoor and other well known men are with Mr. Morris on the board. The first day netted a quarter of a million in deposits.

STATE BANK OF CHICAGO, National City, Fort Dearborn and others sent flowers. Opening day brough out thousands of West Siders to see the new bank in its new home. Hundreds of well known bankers and business men called in and truly it was a gala day for the neighborhood of Halsted and Madison.

JOHN W. GATES (and Charley), John Lambert and John Dupee were joined in conference in a little back room in the Rookery on Monday. Gates said Texas is on the boom but what's the matter with the stock market. Lambert and Dupee had had a fine time in California and liked the new Casaba melons but did not know who had chloroformed the ticker. All three agreed that while business has had a slow-down, times are safe and good.

ELIJAH W. SELLS, surviving member of the accounting firm of Haskins and Sells, which undertook to prepare a report of special assessment ordinances and accounts in 1901, when Carter H. Harrison was mayor, has filed suit against the city for \$500,000 damages in the United States circuit court, alleging the city failed to keep its part of the contract. Lack of co-operation, he charges, caused extra expenses.

ONCE more! William J. Burns is the man who picked up the driver who killed Editor Bohm after months of hysteria and failure by the regulars. Lucky A. B. A.

I. H. NAKDIMEN, of Sallisaw, Okla., has written a long reply to the critics of deposit guaranty. Nakdimen is the owner of numerous banks and is thoroughly posted as to past

shortcomings and abuses of the law. He makes many strong points and treats his opponents fairly and not abusively as many deposit disputants do.

"ONE MILLION CAPITAL" tells the story of the growth and prosperity of the Chicago Savings Bank and Trust Company since it came under the sway of Mr. Teter. It isn't any amateur's job to build up a big bank in Chicago either.

WE want to be careful in our back-to-the-soil march that it isn't the commercial fertilizer pathway we choose. It's too easy to let in greedy bonding house, safe makers and what-nots into state association circles, and too dad gasted hard to get them out.

S. B. CHAPIN AND COMPANY, Chicago, send out detail of the Chicago Stock Exchanges daily and the service ought to be valuable to the banks particularly.

CASHIER CORBETT, of the Commercial National, Chatsworth, Ill., is sending out some interesting printed matter telling of the bank's removal to new and enlarged quarters.

SOME burglars made a firecracker of a burglarproof safe, down state a few days ago. The banker viewed the wreck and then wrote a hot one to the man who guaranteed it burglar proof. "To be burglar proof," was the answer, "the burglar must be on the inside. If the safe is properly adjusted he cannot get out."

ILLINOIS MANUFACTURERS' ASSOCIATION will give an "Open Hearth" dinner in the Auditorium, April 21st. The charges will be ten dollars a plate and the fun at least a million. It is to be an entire novelty without vaudeville, speeches or stunts. The promise is that a new Chicago record will be set.

LEWIS E. PIERSON (always right) was the host at a dinner at the Waldorf to introduce Louis G. Kaufman to the New York bankers. Kaufman, as all know, did not ride into Wall Street on a broncho, but he came in from Marquette after a bank building career. Now he has amalgamated two old New York banks into one—The Chatham and Phenix National—and still is on his way. He was president of the Michigan bankers and represents that state on the A. B. A. executive council.

MR. PIERSON graced the chairs of the A. B. A., as few could have done, laying down the gavel at Los Angeles. He is kind and generous, even to a fault, as the poet says, and envy is unknown to him. He was the very man to think of what was due to Mr. Kaufman and we promise Mr. Kaufman will not forget.

AMONG the big lights present at the dinner were B. F. Schenck, president of the Liberty National, Edward Earl, president of the National Nassau Bank; Willis G. Nash, president of the Mercantile National; Edwin S. Schenck, president of the Citizens Central National; John T. Sproull, president of the Coal and Iron National; D. M. Morrison, president of the Washington Trust Company and many others, all distinguished in the banking world.

SECRETARY HENRY of the New York Association has beaten the rest of the program fillers to it. He has asked President Taft to speak at the Manhattan convention and may land him.

WE understand that those notes which Sir Anthony so kindly filled out for Robin (ovitch) were not intended by Sir Anthony to be bank notes but bunk notes. Sir Anthony was too easy. He should have a string of banks and trust companies all his very own.

SOCIETY NOTE: F. A. Vanderlip, secretary, valet and maid, were at the Anthracite on Chewsday.

CASHIER.

A GOOD INVESTMENT FOR BANKERS

Steel linings with heavy 2, 3 and 4 inch modern burglar-proof vault doors from \$900.00 up.

26 safe deposit boxes for \$63.00. (New.)

150 safe deposit boxes for \$450.00. (Used but little.)

Largest stock of safes in the West. We furnish bankers with plans and specifications for new vault work free of charge. We represent the YORK SAFE & LOCK CO., YORK, PA., throughout the West, who have the largest and best equipped safe factory in the country. We can refer you to most any Chicago banker.

DONNELL SAFE COMPANY

Established 1886

200-202 East Washington Street
CHICAGO, ILLINOIS

An Up-to-Date Bank cannot long

71¢
PRESS ONLY ONE KEY
PAYS MONEY



Pressing ONLY ONE KEY
Completes the Transaction

combat the money-saving argument of labor-saving equipment, especially when our machine must make good on your own counter.

The Brandt Automatic Cashier is used and endorsed by

Over 5000 Bankers

It is infallibly accurate and saves 25% in time. A moment's time, a postal will bring full particulars of our interesting offer to bankers.

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727 SOUTH DEARBORN STREET - CHICAGO

FOURTH STREET NATIONAL BANK

OF PHILADELPHIA, PA.

Capital	-	-	-	\$3,000,000.00
Surplus and Profits	-	-	-	6,400,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

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JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	



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send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits	\$ 2,000,000
Deposits	28,000,000

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ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

The Girard National Bank

OF PHILADELPHIA

Capital,	-	-	\$2,000,000.00
Surplus and Profits,	-	-	4,450,000.00
Deposits,	-	-	38,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

APRIL 22, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Nashville Special

Those who have been assigned compartments and drawing rooms on the Chicago-Nashville special, de luxe, are as follows:

Car A

Drawing Room, J. B. Forgan, president First National Bank, Chicago, Ill.

Compartment B, J. F. Farrell, vice-president Fort Dearborn National Bank, Chicago, Ill.

Compartment C, Ralph Van Vechten, vice-president Continental & Commercial National Bank, Chicago, Ill.

Compartment D, Lucius Teter, president Chicago Savings Bank & Trust Company, Chicago, Ill.

Compartment E, G. M. Reynolds, president Continental & Commercial National Bank, Chicago, Ill.

Compartment F, L. A. Goddard, president State Bank of Chicago, Chicago, Ill.

Compartment G, Arthur Reynolds, president Des Moines National Bank, Des Moines, Iowa.

Car B

Compartment A, V. B. Caldwell, vice-president U. S. National Bank, Omaha, Nebraska.

Compartment B, A. J. Frame, president Waukesha National Bank, Waukesha, Wis.

Compartment C, E. D. Durham, Onarga Bank, Onarga, Ill.

Compartment D, Joseph Chapman, Jr., vice-president Northwestern National Bank, Minneapolis, Minn.

Compartment E, C. H. McNider, president First National Bank, Mason City, Iowa.

Compartment F, George F. Orde, vice-president First National Bank, Minneapolis, Minn.

Compartment G, Clay H. Hollister, vice-president Old National Bank, Grand Rapids, Michigan.

Compartment H, C. E. Batcheller, cashier First National Bank, Fingal, N. D.

Compartment I, E. R. Gurney, vice-president First National Bank, Fremont, Nebraska.

Compartment J, A. H. Marble, vice-president Stock Growers National Bank, Cheyenne, Wyo.

Car C

Compartment A, John J. Sherman, cashier Citizens National Bank, Appleton, Wisconsin.

Compartment B, B. F. O'Neil, president State Bank of Commerce, Wallace, Idaho.

Compartment C, O. H. Havill, president Merchants National Bank, St. Cloud, Minn.

Compartment D, John L. Hamilton, banker, Hoopeston, Ill.

Compartment E, G. L. Ramsey, president Union Bank & Trust Company, Helena, Montana.

Compartment F, E. J. Parker, president State Savings, Loan & Trust Company, Quincy, Ill.

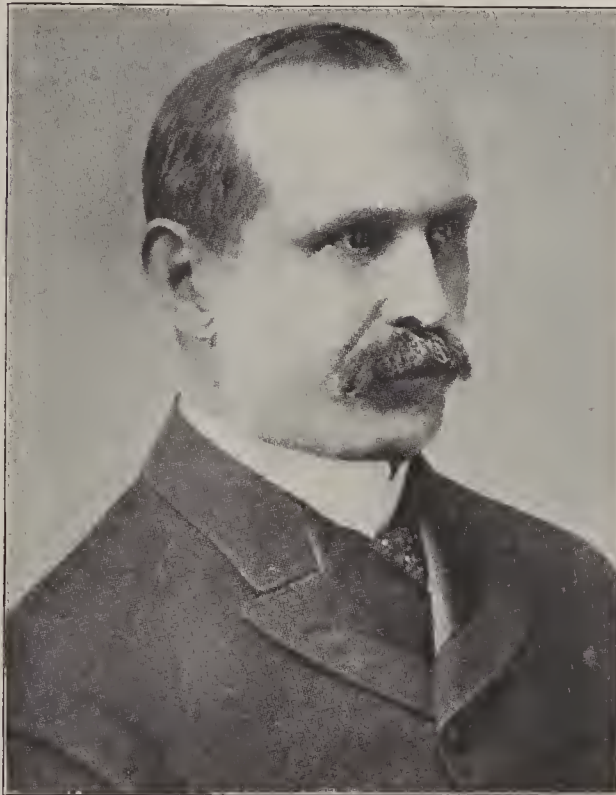
Compartment G, Geo. C. Power, president Second National Bank, St. Paul, Minn.

Compartment H, W. J. Bailey, vice-president Exchange National Bank, Atchison, Kansas.

Compartment I, Frank P. Judson, 217 La Salle St., Chicago, Ill.

Compartment J, Gordon Jones, president U. S. National Bank, Denver, Colo.

Prominent Figures at South Carolina Convention



EDWARD B. VREELAND
NEW YORK

Mr. Vreeland was one of the principal speakers at the Summerville, S. C. convention, appearing as vice-chairman of the National Monetary Commission. He is an able advocate of the plan proposed in the Aldrich-Vreeland act and now known as the Aldrich plan. He is to speak in Ohio and other states.

Mr. Wilson for eight years has been secretary of the South Carolina Association, and has built it up from 97 to 346 members, all but about half a dozen banks in the state. He was named as a state bank examiner recently, and almost immediately thereafter was made a national examiner. His popularity has been earned.



GILES L. WILSON
SOUTH CAROLINA

Car D

Compartment A, C. M. Sawyer, president First National Bank, Norton, Cal.

Compartment B, Harry Yeager, U. S. Bank Examiner, Lewiston, Montana.

Compartment C, A. B. McCaughey, western manager J. S. & W. S. Kuhn, First National Bank Building, Chicago, Ill.

Compartment D, Oliver C. Fuller, president Wisconsin Trust Company, Milwaukee, Wis.

Compartment E, Wm. Livingstone, president Dime Savings Bank, Detroit, Michigan.

Compartment F, William George, president Old Second National Bank, Aurora, Ill.

Compartment G, R. C. Stephenson, vice-president St. Joseph County Savings Bank, South Bend, Indiana.

Compartment H, Emory W. Clark, vice-president First National Bank, Detroit, Mich.

Compartment I, Luther Drake, president Merchants National Bank, Omaha, Nebraska.

Compartment J, W. P. Manley, president Security National Bank, Sioux City, Iowa.

In addition to above there is a partly filled car to which have been assigned C. R. McKay, First National, Wm. G. Schroeder, Continental and Commercial National and James A. Walker of the Corn Exchange, the special committee to report on the new numerical transit plan. Any wishing to join this party should apply at once. The train will leave over the C. & E. I. Ry., April 29th at 6:20 p. m. Dinner on train.

Franklin MacVeagh

Summerville, S. C., April 19.—Franklin MacVeagh, secretary of the treasury, in an address before the South Carolina Bankers Association to-day, told the South that what it needed to increase its prosperity and happiness was a political division.

"There never was a people in a party-governed country that could well afford to be without the rivalries of parties, for the rivalries of parties are the very life of party government," said Mr. MacVeagh. He made a strong plea for independent voting, and held it up as the method by which the South could be released from the dominance of the single party. Mr. MacVeagh told the hearers that now he is a republican, (since he's in the cabinet) but that formerly (until he failed in a race for the U. S. senate from Illinois) he was a democrat.

IMPROVEMENT DOWN STATE

President Frank Trefzgen of Illinois National, Peoria, was among the down state bankers who visited LaSalle Street National, Chicago, Wednesday. He told of a gradual but sure expansion of business in the interior. Agricultural conditions are as fine as could be and a confident feeling pervades all classes.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$10,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary
EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

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HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
RALPH C. WILSON - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor
H. LAWTON - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
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H. W. LADEWIG, Chicago Manager

226 La Salle Street

Chicago, Illinois

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital - \$1,250,000

Deposits 10,000,000

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

OFFICERS

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WALTER H. WILSON, Vice-President
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HARRY MOORE, Cashier
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Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

ONE of our good friends, down the state, evidently fears that some of us may be lured into supporting Judge Montgomery for chairman of the Illinois council, at the Springfield meeting. He writes thus: "The judge is a fine man but he is in spirit a private banker and rather set in his ideas, and opposed to the modern system along those lines. For that reason it would not be fair to the association to elect him chairman of the council in the guise of an organized banker. If our constitution is to wipe out all lines so that any man is eligible, that would be another thing."

ANOTHER patriot, quite as earnest for the uplift, writes in to suggest that Group Four could fix things to suit him by electing L. A. Goddard to the state council. He then proposes to "start a campaign for Goddard, as chairman of the council for election at the Springfield meeting, and thus be doing the association a real service in electing a representative man."

EVERY one likes these suggestions for they help to make this page interesting. Goddard was to have been "put over" at Cairo but the private bankers pleaded vested rights, as it were, and Mr. Goddard himself threw it to Phillips. Those who know all of this probably are surprised at the Montgomery filibuster. It is headed by Mr. Little who runs the Montgomery private bank at Rushville. The judge is an officer of E. J. Parker's big bank at Quincy. Well, every little helps and the Springfield meeting with Woodrow Wilson and the new constitution in a double bill ought to be a corker.

"JAMES McDONALD of the Hanover," says a daily paper, "is out West studying the clearing house examination problem." Looks queer to see it "McDonald" when everyone knows it only is "Donald." Another curio: "H. E. Otte, president of the Illinois Bankers Association," was quoted at the South Carolina bankers convention as being a strong advocate of deposit guaranty. The phraseology was eloquent, flowing and complimentary, as South Carolina oratory is and ought to be pleasing to Mr. Otte, right or wrong.

MR. DONALD, while here, conferred with James B. McDougal, in charge of local bank examinations under the direction of the Chicago clearing house committee. This system was adopted by Chicago banks at the suggestion of W. T. Fenton, vice-president of the National Bank of the Republic. Mr. Fenton's suggestion was made following the unfortunate experience of the local banks in 1907.

THE financial editor of a leading daily in commenting upon the situation finds that: "there is no doubt that the system of private examinations which thus originated here has done much to establish confidence in the banking methods of this center. Other western cities have since adopted the same system of examinations. New York has been slow to take up with the idea. Meanwhile, western banks have increased their balances and their

exchange operations on Chicago. This has led to relatively decreasing importance of New York, as compared with Chicago."

ALLEN FARRELL AYERS, a scion of two of the best known banking families in Jacksonville (Illinois), since January first has been vice-president of the Continental Trust Company at Denver. He is the manager of their bond department. Before leaving Jacksonville he was cashier of the big Farrell Bank at that place. He has been paying a visit at his old home and stopped over a few days in Chicago this week on his way to Denver. Already he is an enthusiastic booster for that famous and growing city.

M. W. TOBEY, cashier of the Stockmen's National at Fort Benton (Montana), is distributing a neat little folder giving a complete history of Fort Benton, which is situated at the head of navigation on the Missouri River, around 5,000 miles from New Orleans. The elevation is nearly 3,000 feet, and from its start as a trading post in 1846 quite a city has developed.

THE site of the old fort is now being beautified and turned into a public park where many of the old fort buildings will be preserved as relics. Originally the settlement was known as Fort Lewis, but was changed in honor of Senator Benton of Missouri from whom it had many favors in the early days. Fort Benton is the county seat of Chouteau county, which alone is large enough for a principality. It contains over 15,000 square miles and is the center of what is known as the "Big Grass Country."

STOCKMEN'S NATIONAL, which fills a large place in the development of the Fort Benton district, was organized in 1880 as a private bank but converted to a national in 1890. It has a capital and surplus of nearly half a million and always has been managed by men who made their money and continued to have their interests in Montana. Chouteau county is so large that the Stockmen's National does a considerable part of its business by mail.

JOHN B. GARDIN, a vice-president of the National City Bank, New York, was one of the speakers at the South Carolina convention this week. Mr. Gardin matriculated from the First National of this city and then joined other young men from Chicago who are managing the biggest New York bank so profitably. His talk was upon "Banking and Commerce" and will be found in another column of this issue.

QUITE a large voice was raised at the Summerville, South Carolina, convention in favor of the guaranty of bank deposits. The speaker was a sort of "John the Baptist, walking in the wilderness," for he appeared to be quite alone.

JOHN D. WALKER was the special advocate and he hails from Sparta (Georgia), and is president of the First National at that

place. He also is president of or controls about seventy other banks in Georgia, Alabama, South Carolina, and Florida. In short, he is known as a chain-of-banks man. His address is unusually good and a large part of it will appear in another part of this issue. It is well worth reading.

PRESIDENT WILSON G. HARVEY, of the South Carolina bankers, did not review the banking situation at the Summerville convention as most retiring officials do. He delivered, however, a heart to heart talk and his address, if circulated throughout the state, ought to be productive of great good. He is a great believer in South Carolina and in her citizenship. His ideas followed out would render the state practically ideal and probably put it back to its old time high position of leadership and supremacy.

GEORGE T. BUCKINGHAM, who probably has addressed more bankers' meetings than any other attorney in Illinois, recently delivered an address upon "The Basic Law" before the Illinois Bar Association. If you believe all that he said (and we do), the lawyer's profession is about the biggest thing there is. Col. Buckingham has the great faculty of making his hearers take hold of his arguments and enjoy what he says. He always has been a very strong card on a bankers' program, and probably will be heard from several times this year.

COLONEL BUCKINGHAM has an original article in "The Illinois Statesman," a prospective Illinois magazine, covering that much talked of question, "The Initiative and Referendum." The colonel evidently believes that this new departure in government is a public danger.

ROBERT E. WAIT, secretary of the Arkansas Bankers Association, was so busy with his program that he almost failed to come under the wire with his annual report at the Little Rock convention. The meeting was a great success, however, showing an enrollment of 385, the best ever held in the state.

SINCE the Fort Smith convention last year, Arkansas has had 41 new banks, one of which is a national bank. There have been four mergers and eight failures or liquidations, the failures being among the very smallest banks. The state association has 340 members, a net gain for the year of 21.

MR. WAIT called attention to the fact that the north and northwest districts of the state are very backward about joining the association. He expects the inauguration of the group system will even up matters somewhat. The past year Mr. Wait attended all group meetings and in his own phraseology was "permitted to tell each gathering something about the association and what it is trying to do."

TO get the banks interested in protective work Mr. Wait was fortunate enough to secure W. J. Burns, head of the A. B. A. pro-

(Continued on page 31)



COLONIAL TRUST AND SAVINGS BANK

205 La Salle Street, CHICAGO

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LONDON CABELL ROSE,
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EMIL STUEDLI, Assistant Cashier
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We offer a convenient and efficient service to those desiring a Chicago connection

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

CORN EXCHANGE

CAPITAL : \$3,000,000.00
SURPLUS : \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

NATIONAL
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OF CHICAGO, ILLINOIS

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D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier

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Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

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T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT
CHARLES G. DAWES, ex-Comptroller of the Currency

Banking Conditions in South Carolina

Wilson G. Harvey, president, presents his annual review at the Summerville convention. A very strong paper

In conformity with a custom which has almost become a mandate, I submit herewith a report for the past year. From a banker's standpoint, the past year has been a gratifying one. In our section we have been signally free from trade disruptions, finances have been steady, profits have been satisfactory, and the money world as we know it, has pursued the even tenor of its way. Our association has prospered and its good work has been manifest in divers ways.

The report of the secretary and treasurer will deal particularly with the statistical and financial features and the report of the executive council will treat of our administrative work since our last convention. Inasmuch as the chairman of the legislative committee will make a report, I hesitate to treat on matters of legislation for fear of encroaching on his preserves. It will be seen that a report from the president is therefore almost a matter of supererogation. There are however a few general matters which I can consistently call to your attention. Permit me to take this opportunity to thank the members of the association, for the honor bestowed upon me in making me its executive officer. It has been a great pleasure to me, and I have felt a sense of pride and gratification at being the president of this fine body of South Carolinians. I shall always cherish the honor and feel deeply indebted to you one and all.

The minutes of our last convention did not clearly define just what was intended in the matter of the appointment of a legislative committee. My impression was that it was the purpose of the convention to have a committee of five members, to be appointed (the first year) for a period of 1, 2, 3, 4, and 5 years respectively, so that one vacancy would occur each year, thus making the committee in a measure a perpetual body and permitting it to continue from year to year the advocacy of measures which seemed to it wise and desirable. I therefore appointed as members of the committee the following, two being from national and three from the state banks.

One year, F. F. Capers, treasurer Piedmont Savings & Investment Company, Greenville, S. C.; two years, J. P. Matthews, cashier Palmetto National, Columbia, S. C.; three years, H. W. Fraser, cashier Peoples, Georgetown, S. C.; four years, D. A. Spivey, cashier First National, Conway, S. C., and five years, B. Hart Moss, president Edisto Savings, Orangeburg, S. C.

Giles L. Wilson, the state bank examiner, having been appointed a national bank examiner, resigned his office entailing on the executive council the recommendation of his successor, the choice falling upon B. J. Rhame, who has so ably discharged the duties of assistant examiner since the act creating the office was enacted. I feel assured that each of us rejoices in the selection of Mr. Wilson as national bank examiner, while we sincerely regret the severance of his official connection with the state banks. As a bank examiner Mr. Wilson has been most acceptable to the bankers of this state, being courteous and considerate in his dealings and broad and liberal in his construction of the powers with which he was in-

vested. Mr. Wilson also tendered his resignation as secretary and treasurer of this association, but by resolution of the executive council the president communicated with the comptroller of the currency and secured permission for Mr. Wilson to retain his position until this convention, with the result that he has remained in harness discharging his duties as such in his usual most satisfactory manner. Permit me at this time to pay a tribute to his services to this association. We owe a lasting debt to him for the work he has done during the past years.

Finding the South Carolina Bankers Association a struggling weakling he supplied it with vigor, enthusiasm and energy and leaves it today one of the best organized and most flourishing of all the state associations in this country. He has been the means of bringing the banks of South Carolina into closer union, and brought the association and some of its members prominently before the country and has ranked the association among the very first of the associations in the United States. We shall miss his master hand and shall look back with pride and pleasure to the days when he was the moving spirit of the association work in this state.

It is my sad duty to officially announce the death of Col. D. D. McColl, our late president, which occurred at his home in Bennettsville, Mich. We all recall the many graces of heart and mind which so endeared him to each of us.

We felt a sense of real pride in having one so rich in honors and in years, the embodiment of South Carolina's best citizenship, as president of this association. We each sustained a personal loss in his passing away. Kindly and courteous, manly and honest, unswerving and unfaltering, he was a beacon light for our younger generation. He is the first of our past officers to cross the river and rest from his labors and leaves behind him a rich heritage in an honored and respected name. Upon being informed of his death a floral offering was forwarded to his family in the name of the association as an evidence of the sympathy which we felt for them in the great bereavement which was theirs.

Our association has done much for the banking interest of this state during its 11 years of existence, but although we are united in a general way the banks are as far apart in other ways as if there was no common purpose or union.

It seems to me that we could make our organization a more effective force if we adopted certain forms and each member was governed by certain general laws or policies. For instance, if we worked to the end of adopting a check of uniform size and style; I do not mean as regards type and color or design, but as far

as practicable have the checks used by our several banks of uniform size and in the design let the numerals be located on the right hand side of the check. Then again a committee might be appointed to look into the advisability of recommending certain general rules and policies to be followed in the handling of drafts or items.

This association should be in a measure a clearing house association, not for the purpose of clearing checks but of making us act in concert in those matters, which will result in expediency or economy of either time, money or labor. It has also occurred to me that we should give some thought to the custom which is prevalent of intermixing distinct departments of our banks, with the result that the profit feature is more a matter of guess work than of actual knowledge. For instance the policy of eliminating exchange charges for A provided A eliminates exchange charges for you; of handling B's items without exchange in lieu of balances B leaves with you, etc. In these trades it is hardly likely that both parties are profiting thereby, somebody is getting the best of the bargain. Would it not be well to let every department stand on its own merit? As long as swapping sources of profit continues, so long will our books fail to show the actual profit from certain departments and likewise fail to show what other departments are really costing.

It has been said that the worst men often give the best advice and bearing this in mind I purpose briefly urging upon the banks to comply with the banking laws of the state. These laws are wholesome and for the best interest of the banks. Following a long period of state wide laxity, during which each bank was a law unto itself, it is difficult for some to get into the habit of strict compliance with laws which seem to be unnecessarily rigid, but it is due to ourselves that we from month to month demonstrate our purpose of more strictly complying with the laws. By so doing we will in a comparatively short while be within the legal requirements and thus break away from conditions or practices or policies, which embarrass the bank examiner and are not really justified under the law.

I am pleased that Mr. Williamson has accepted an assignment to speak on this topic. No one is better qualified than he and I believe that what he says will be of interest and benefit to us all.

Having thus treated briefly of our experiences of the past a word or two of the future may not be inappropriate. "Young man, go West" was a trite saying decades ago, but the slogan of the country to-day is "Look to the South." The trend of business is southward, the development of the country is southward, the eyes of the nation to-day are southward and the central figure in this attractive field is our beloved and richly blessed state. Rich in her agricultural resources, with her cotton fields, her truck farms, her rice plantations, her cotton mills, her manufacturing interests, the soil of our state offers a rich source of wealth to our people if the opportunities are grasped.

(Continued on page 27)

South Carolina

John E. Gardin of New York
delivers an able talk at the

Summerville convention on Banking and Commerce in close relationship

The bill of exchange, as we know it to-day, has changed but little in form or in its essentials for many centuries. Its origin may be traced to the persecution of a people.

The Jewish race, which was driven out of country after country, was forced by this circumstance to hold its property in a mobile form so that it might be easily transferred from place to place. This being generally understood, it became customary at an early period, when demand arose for the remittance of funds from one country to another, to apply to the Jews for an order in settlement of the amounts required.

International commerce owes its first genuine impetus to this medium of exchange.

The next impetus came through the Crusades. The religious enthusiasm of the middle ages, exemplified by this movement, opened the lanes of travel north and south, and, with the return of the valiant defenders of the Cross, who had been so deeply impressed by the splendors of the Orient, the eyes of Europe were opened to the possibilities of trade beyond the previously known limits and outside the beaten paths of centuries. There came a change, and with it there was created a higher standard of living, which called for fabrics and products found only in foreign lands. Thus originated the Hanseatic League, a combination of traders, who, in their dealings with the European countries and the Orient, followed the routes of the Crusaders to the point of embarkation in the south of Italy. This league waxed stronger and stronger in power until it assumed an autonomy which, for cohesion and strength rivaled that of the Holy Roman Empire itself. Their trade emporiums were found everywhere, and even to this day the free cities of Hamburg and Bremen mark the splendid achievements of that body of merchants. They were merchants in the real sense of the word, known, not alone for their aggressiveness and fearlessness in trade, but for their deeds of valor on land and sea in protecting their rights against the demands and tolls of robber barons, predatory rulers, and pirates.

In the city of London they had their principal trade center, known as the Steel Yard. Incidentally, it is interesting to know that one of the standard forms of scales in commercial use is known to-day by the name of that place—the steelyard. Shut off from the rest of the city, they had their own laws, trade customs and their own money. England also owes the denomination of its monetary system to this coterie of trades-people and their fair dealing methods. Their money unit was the pound of silver and was known the world over actually to contain one full pound of pure silver as distinguished from the adulterated coinage of practically every country in the civilized world. Hence, when contracts were made, the consideration was the pound of Esterlings or Strangers, and the English coinage has since been known as the pound sterling—the "Pound of the Strangers."

A steelyard is the counterpart of the ancient Roman scale, called by them a *trutina*. The symbol for the pound sterling is the initial letter of the Latin *livra*, which meant a balance or a pair of scales. The equivalent of *livra* was in Greek *talanton*, whence we have the ancient Greek unit of value, the talent.

Among the Greeks it was an early practice to weigh out the sums of money to be paid,

so the talent came to signify a definite weight of money, which varied however in different states of Greece and at different times, but the term became fixed in the language and in commerce. It meant the same, or implied the same idea, that *livra* did in Latin, a balance or scales of measure recognized as standard and used in trade.

We thus see not only whence originated the symbol which represents the pound sterling, but also why that particular mark should denote a pound and why that pound should be called "sterling." We see also why the instrument for measuring the weight of a pound accurately and reliably should be called a "steelyard"; because it was the scale used and accepted as standard by the "strangers" and merchants at the Steel Yard. All these familiar trade terms are honorably and firmly grounded in our language and are in common usage to-day because of the high standard of honesty and fair dealing practiced by the Hanseatic "strangers."

London, as I have said, was the central emporium of the enormous trade carried on by these merchants. London to-day owes much of its commercial supremacy to the foundation thus laid. London is not only the center of the financial world, but is also the center for clearing the world's commercial transactions. It is an interesting thing to scan the commercial advertisements of the London papers where sales of commodities are announced. Every known commodity is mentioned, among them many which the majority of us have never heard of before. The London banker is the most powerful banker on earth, and his influence is felt throughout the world of trade.

The banking system whereunder this power is exercised is now the subject of more or less criticism on the part of Englishmen themselves. The system may not be perfect, and may need revision, still it has stood the test of time. The strength of London as the financial center does not lie alone in the magic name of "The Bank of England," but is to be

found in that wonderful group of joint stock banks surrounding it, and which gives it great strength and support. In the mere matter of figures there are several institutions which far exceed in size the Bank of England; but it must be borne in mind that this institution merely acts as a clearing house and as a reserve depository for the banks supporting it and of which it is merely the instrument by which the movement of money is effected, and the mouthpiece by which the financial policy of the aggregation of banks finds expression. A peculiar circumstance is to be found in the organization of its directorate. None of the directors are connected directly with a joint stock bank, but they are drawn from the merchant class, thus assuring a commercial aspect to the governing body. The power of the bank as a controlling agency in the movement of gold would not be nearly so great were it not for the establishment of a fundamental principle in economics through the efforts of a celebrated English lawyer, Jeremy Bentham, in the abolition of usury laws. This was a hard struggle, but Mr. Bentham finally accomplished it by the use of an epigrammatic argument to the effect that if, legally, a maximum rate of interest could only be charged, then surely a minimum should be established below which no one would be allowed to borrow. The abrogation of the usury laws gave the financial institutions of England at once controlling power over the money markets of the world, inasmuch as it enabled them, or the bank, as their instrument, to raise the rate of interest to any rate or to lower it at convenience in order to control the flow of money back and forth. With usury laws in effect, it can be readily seen that this control could be exercised up to a certain point only; but with these out of the way, it has been no unusual thing in the past to see the Bank of England rate raised to 10 per cent in times of stress, in order to bring in gold.

The interest rate is the one thing which controls the destinies of the monetary centers. At one time it was considered by religious enthusiasts that to exact interest was sinful, and to quote the words of St. Augustine, "for an inanimate object to produce fruit was abhorrent in the eyes of the Creator." We may be thankful that views in this respect have changed, but we ought to go further and work towards an absolute abolishment of our usury laws, inasmuch as they operate against the true interests of the commercial community and leave our country often at the mercy of those enjoying more enlightened financial laws.

The Charter of the Bank of England which expires in 1912, at which time some revision may be found necessary or desirable, inasmuch as conditions have changed in England since the charter was granted, and coming at a time when we ourselves are engaged in a struggle for reform, it will be instructive to compare the result of these efforts at reformation.

Various reforms in connection with the Bank of England have been advocated and among them it is recommended that a larger supply of gold be held in its reserve. During the last ten years the stock of gold held against liabilities has increased only 10 per cent, while the increase in other countries has been in quite a different ratio. Thus France shows an increase of 40 per cent; Italy, 217 per cent; Japan, 251 per cent; Russia, 72 per cent; and

(Continued on page 23)

To Net 6 Per Cent.

We offer at par and interest a Two Year 6% Secured Note of a prosperous public utility company operating in ten rapidly growing communities. The security for these notes represents an actual cash investment equal to 165% of the total issue.

Ask for our Circular C-831

**Guaranty Trust Company
of New York**

28 Nassau Street

Capital \$5,000,000 Surplus \$18,000,000
Deposits - \$133,000,000

ILLINOIS BANKING NEWS

By C. C. Burford

The old banking house of John Warner and Company of Clinton has left the ranks of the private banks and has become an incorporated institution. Established in 1867 the bank has had an enviable reputation as a conservative institution and the financial standing of John Warner and Company has never been doubted by the people of Clinton and DeWitt county for a moment. The bank is now a state bank having recently been granted a charter by the state auditor. The name of the new bank will be The John Warner Bank, Incorporated. The idea of the management of the bank was to preserve the name of the founder and first president.

The bank was established in 1867 by Dr. John Warner. He was a country doctor of the old school type who established himself as a settlement physician at Mount Pleasant, now Farmer City, near Clinton, in 1844. At that time central Illinois was indeed a wilderness and the country doctor was forced to ride horseback many weary miles to see his scattered patients. These rides must have impressed Dr. Warner with the value of land for he at length abandoned the medical profession and established a private bank in Clinton and began to buy all the cheap Illinois land which he could hold. He spent thirty-eight years in this bank and died in 1905. The bank was uppermost in his mind at all times and he was there until a few hours before his death. His son, Vespasian Warner, former congressman and commissioner of pensions, is president of the bank and the latter's son, John Warner, is assistant cashier. John Q. Lewis is the cashier. The bank will occupy the newly remodeled room of the old bank where every convenience is provided.

Bankers, Secure This Pamphlet

Bankers of Illinois who are interested in the greatest problem before the farmers and bankers of the state should secure the address of William C. Brown, president of the New York Central lines, on "What is the Future of Agriculture in Illinois." The address was delivered at the Founders' Day Exercises of Knox College at Galesburg and has since been issued in pamphlet form. The utterances of President Brown along the lines of the conservation of our natural resources have always aroused attention and in this address he makes a strong appeal to the farmers of the state to rally to the support of the college of agriculture of the University of Illinois. The address may be secured from the officers of the Illinois Bankers Association.

Butler Still in Jail

E. W. Butler has found it very difficult if not impossible to secure bail so as to get out of the county jail at Peoria. A surety company of Chicago has refused to aid him and individual bail must be furnished. If he fails to secure this assistance he will lie in the jail until the May term of court. He has been doing ordinary prisoner's duties about the jail since his confinement began.

Peoria Cashier Resigns

Elwood A. Cole, cashier of the Commercial-German National Bank of Peoria, has resigned that position to become treasurer of the Avery

Company of the same city. Mr. Cole has been connected with Peoria banks since 1882. He began as a messenger in the private bank of Callender, Ayres and Company, and remained with this bank and its consolidations which later became the Commercial National as teller and cashier until the present time. In 1900 he was made cashier and retained this position after the union of the Commercial National with the German-American National. He will retain his position as a director of the institution. The change will become effective May 1st.

Illinois Notes

Edward Pallissard, a wealthy French resident of Kankakee county, and a director in the First National of St. Anne, took his life a few days ago by hanging himself in his barn. It is said that worry over the absence of his youngest daughter in Montana caused the deed. John P. Pallissard, state's attorney of Iroquois county, is a son.

A charter has been issued for the establishment of a new state bank at Saybrook, near Bloomington. The capital will be \$25,000. This will be the third bank for a village of one thousand people. The two banks now in operation there are owned by one firm, Means, Schureman and Rowe. A merger of two of these banks is expected.

Illinois lodges of Modern Woodmen of America are working hard for the election of D. S. Myers of Pontiac for the position of head banker of the order. Mr. Myers is president of the Pontiac State Bank. J. V. Curran of Ottumwa, Iowa, is another candidate and the national convention which is to be held in May at Buffalo will witness a lively race for the office of head banker.

Frank E. Rupert, for twenty-five years president of the Farmers National of Pekin, died at his home in that city Sunday, April 16th. He was seventy-one years old.

The bank of Henry Denhart and Company, of Washington, Ill., will soon be enlarged by a large addition.

DEMOCRATIC BANKER'S VISIT

S. O. Fisher, of Bay City, Mich., a democratic leader and president of Lumberman's State Bank, was a visitor at Fort Dearborn National in Chicago a few days ago. Mr. Fisher is in the most peculiar position of any man in Michigan. He is a loyal party man and at the same time a believer in a protective tariff and a central banking power. So far as his influence can be used effectively he will urge democrats to shun free trade and to work out a currency plan in harmony with the views set forth by leading bankers in recent conferences. Mr. Fisher is a man of great energy and has made a fortune in business. He is recognized at Bay City as a leader on public questions.

TELLS OF PUBLIC CONFIDENCE

President Frank Y. Locke of Security Trust Company, St. Paul, was a visitor at Chicago banks Monday. He told of an improvement in business in his section and said there was general confidence among the people. There will be an increased flax acreage in Minnesota and the Dakotas this year. The wheat acreage will be normal.

LOOK UP BOND PROPOSITION

D. R. Forgan, R. U. Lansing, John E. Wilder and Richard C. Hall are spending the week in Oklahoma and Texas investigating a large bond proposition. They are guests of President J. A. Kemp of the Wichita Falls and Northwestern Railroad.

D. E. JACKMAN IN NEW PLACE

David E. Jackman, of the firm of E. S. Jackman and Company, Chicago, Cleveland and Pittsburgh, has withdrawn to accept the position of treasurer of the Fifth-Sterling Steel Company.

MARQUETTE BANKER HERE

Edward S. Bice, vice-president of First National Bank of Marquette, was a caller at Fort Dearborn National the fore part of the week.

Settlement in full has been made at Freeport by a young man who had forged a number of checks totaling about one thousand dollars on the H. H. Hilmer Company of that city. The case will be dismissed.

THE HANCHETT BOND CO., Inc.
L. A. TROWBRIDGE, President WM. F. HANCHETT, Vice-President
CITY SCHOOL COUNTY DRAINAGE **BONDS**
39 South La Salle St. Telephone Central 4534 CHICAGO

GUARDIAN TRUST COMPANY OF NEW YORK
CAPITAL & SURPLUS \$1,000,000
Pays a rate of interest consistent with good banking

F. E. FARRELL Established 1864 E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers
Successors to First National Bank
JACKSONVILLE, ILL.
ACCOUNTS AND COLLECTIONS SOLICITED

Hathaway, Smith, Folds & Company
Commercial Paper
137 South La Salle Street Chicago
Correspondence Invited

MOLINE ILLINOIS **Peoples Savings Bank & Trust Co.** **MOLINE ILLINOIS**
Capital and Surplus \$300,000 Deposits over \$3,000,000.00
Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms
WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.

Fidelity and Forgery BONDS **National Surety Company** **Joyce & Company (Incorporated)**
Burglary Insurance **ILLINOIS ADVISORY BOARD** **General Agents**
Charles G. Dawes, Resident Vice-President
A. J. Earling David R. Forgan Walter H. Wilson John A. Spoor S. M. Felton George M. Reynolds **The Rookery Chicago**

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,430,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000
Surplus and profits (earned) 1,922,000
Deposits over - - 24,000,000

OFFICERS

L. A. GODDARD, President FRANK I. PACKARD, Asst. Cashier
JOHN R. LINDGREN, Vice-President C. EDWARD CARLSON, Asst. Cashier
HENRY A. HAUGAN, Vice-President SAMUEL E. KNECHT, Secretary
HENRY S. HENSCHEN, Cashier WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



IN CINCINNATI

With Resources of **TWENTY-FIVE MILLION DOLLARS**

And every facility for the satisfactory handling of Bank Accounts

CORRESPONDENCE INVITED



A. B. C. of Aldrich Plan

Charles H. Huttig, chairman
of the big council and member
of the currency commission, gives in simplified form the gist of the situation

The general stock of money in the United States consists approximately of \$1,730,000,000 in gold and gold certificates; \$721,000,000 in silver and silver certificates; \$726,000,000 national bank notes and \$346,000,000 United States notes or greenbacks, making the total volume about \$3,500,000,000. There are several criticisms to be lodged against our present monetary system, the most important one being that our volume of money does not expand and contract to conform with the requirements of business and crop-moving demands. It is rigid and inflexible, and in times of great prosperity when the prices of securities and commodities are high and the turnover of goods is very active, there is an expansion of credits which is out of safe proportion to the volume of money, and this condition manifests itself in high interest rates, a scarcity of loanable funds, and a lack of investment capital. In Canada, for instance, an unusual demand for money and credits is met by an expansion in the volume of Canadian bank-note issues, and the fluctuations in the volume of money in that country for 12 months amount to about 35 per cent. In other words, in Canada as well as in other leading civilized nations of the world, the supply of money nicely adjusts itself to the requirements of business, whereas in the United States, because of the non-elasticity of our currency, business must conform to the volume of money.

It is now proposed by the 'Aldrich plan to create a reserve association with headquarters at Washington, D. C., with a capital of approximately \$300,000,000, the shares of which are to be owned by national banks of the United States, limiting the interest of any bank in the

central institution, however, to an amount equal to 20 per cent of the paid-in capital of the subscribing bank. It is further stipulated that the United States shall be divided into 15 districts and a branch of the reserve association located in each district. The board of directors of the association shall consist of 45 in number, of which six are to be ex officio members, namely, the governor of the reserve association, two deputy governors, the secretary of the treasury, the secretary of commerce and labor, and the comptroller of the currency. Fifteen of the board are to be elected by the board of directors of each branch of the reserve association, and 12 more to be elected by the banks embraced in those districts. The board as thus constituted shall select 12 additional members, who shall fairly represent the commercial, industrial and agricultural interests of the country, and shall not be officers of banks. It will be this body which will control the affairs and the destiny of this great central financial institution. It will be observed that the various sections of the United States will be represented on the board of directors, based on the banking capital of the different localities. In this way it is confidently believed that neither politics or the so-called Wall Street control can ever gain a foothold—in fact, the very functions of the bank and the limitations placed on its dividends to shareholders (which are 5 per cent) would preclude the incentive for control. There is a further safeguard in the fact that the holding of shares by any one interest is limited as above indicated to 20 per cent of a subscribing bank's capital. The privileges and advantages of the reserve association shall be equally extended to every national

bank which becomes identified with the association in the above referred to manner.

This central association shall be the depository for the government of the United States and all disbursements by the government shall be made through it. Moneys deposited by national banks with it shall be treated as legal reserve for such depositing banks the same as the cash in the bank's vaults. The reserve association will rediscount notes and bills of exchange arising out of commercial transactions for its customers, and the proceeds of such discounts will be either passed to the credit of the borrower on its books or the reserve association's notes in denominations of \$5 and upwards will be given in settlement at the option of the borrower. By this operation the desired elasticity in our money and credits is secured. The reserve association will be permitted to issue its notes under certain reasonable limitations and restrictions as to quantity, and based on security of one-third gold and two-thirds commercial notes.

The plan is a combination of the central bank of Europe and the clearing house association system of this country, and a careful study of it develops the fact that it is well adapted to meet the diversified demands of our people.

IMPORTANT RAILWAY ACT

The Minnesota house of representatives has passed the Cashman bill, which provides that railroad freight rates shall be based upon actual mileage. This bill, if enacted, will wipe out the laws which gave rise to litigation resulting in the decision of the United States Circuit Court last week that the state commodity and merchandise laws are unconstitutional.

WILLIAM J. BURNS, President
Formerly U. S. Secret Service
Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

THE WILLIAM J. BURNS NATIONAL DETECTIVE AGENCY, Inc.

Representing American Bankers Association
General detective work of a high class guaranteed

WE SUCCEED WHERE OTHERS FAIL

We make the same rate for Bankers' private work
as that charged the American Bankers Association

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National Bank of Commerce in New York

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



Banking Opinion

Bankers now are free to admit that the proposed tariff revision is having a serious effect on the country's business. Neither currency legislation nor the supreme court's probable attitude on the trusts is having anything like the influence on trade that tariff uncertainty is. "The country has adopted a waiting policy," said Vice-President E. D. Hulburt of Merchants Loan and Trust to a CHICAGO BANKER representative the fore part of the week.

"It is partly a desire to learn the supreme court's attitude on corporation laws that affects business, but chiefly it is the uncertainty as to what congress will do. While manufacturers and jobbers may not be afraid of revision downward they will have to see how far congress will go before their business can be adjusted.

"Trade is retarded because people do not know what the next tariff revision will amount to nor when it will come. It is something that cannot be discounted because not even congress itself can tell at present what is going to be done. The house is supposed to lean toward a sweeping reduction of duties, but the senate is likely to stand firmly for the tariff. If anything is done in the next two years it will be compromise legislation.

"That leaves the business world in the dark and it accounts in large measure for the hesitation in the manufacturing of wares as well as in mercantile buying stocks are low both with wholesalers and retailers. Merchants are afraid to buy extensively and manufacturers are afraid to produce goods beyond absolutely certain requirements. There is no distress in the country but trade is likely to remain dull until crop moving approaches. Some relief might also be gained through a speedy adjournment of congress.

"Money remains idle and the rate of interest weak owing to the conditions mentioned. Agricultural activity is helping the country

banks but it is not yet pronounced enough to help financial interests in the larger cities."

Seattle Men Here

R. V. Ankeny, cashier Seattle National; J. A. Swallow, cashier National Bank of Commerce, Seattle; D. H. Moss, vice-president First National of Seattle, and J. T. McVay, cashier Metropolitan Bank of Seattle, were visitors at Continental-Commercial here the fore part of the week. The arrival of four bankers from the far northern metropolis on one day led to much speculation as to the object of their visit. They were not here to buy a bank however, but largely to look into the new transit plan and to urge their friends to attend the Western conventions as largely as possible.

W. T. Kemper, president of the Commerce Trust Company of Kansas City has been on a tour of inspection in Kansas.

If you want to buy, sell or absorb a bank

or insurance company, send for me. I will make preliminary negotiations secretly and diplomatically. Everything confidential in my office. All negotiations conducted personally. Nothing intrusted to the mail.

E. A. GRANT

901 Garfield Building, CLEVELAND, OHIO

Big Texas Program

Following is the program of the 27th annual convention of Texas Bankers Association at Dallas, May 16th to 18th.

"Response to Address of Welcome," W. F. McCaleb, president West Texas Bank and Trust Company, San Antonio.

Address, Governor O. B. Colquitt, Austin.

"Safeguards Against Recurring Panics," Geo. M. Reynolds, president Continental and Commercial National Bank, Chicago.

"The American Bankers Association," C. H. Huttig, president Third National Bank, St. Louis.

Address, W. O. Jones, assistant cashier National Park Bank, New York City.

"The Profession of Banking," F. M. Law, cashier First National Bank, Beaumont. "Cotton Accounts," Nathan Adams, cashier American Exchange National Bank, Dallas.

"State Banks and the Laws Controlling Them and Suggestions as to Their Conduct," Hon. B. L. Gill, state banking commissioner, Austin.

"A Day's Work," J. Hirsch, vice-president Corpus Christi National Bank, Corpus Christi.

"Banking Conditions in the Southwest," Geo. B. Harrison, cashier New England National Bank, Kansas City.

"The Aldrich Plan," J. T. Scott, vice-president First National Bank, Houston.

TAKE OKLAHOMA BONDS

Harris Trust and Savings Bank of Chicago and Messrs. Francis Brother and Company of St. Louis, have just purchased \$2,500,000 Oklahoma railway first and refunding mortgage 5 per cent gold bonds, dated January 3, 1911, due January 1, 1941, and optional at 105 and interest after ten years.

The Kansas City chapter of the American Institute of Banking was addressed last week by H. M. Beardsley on "Public Revenue."

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. C. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

There appears to have been some falling off in the general line of business during the past week though this is not indicated in the daily clearings of Milwaukee banks which holds well up to the levels established at this time one year ago. However, manufacturers in some of the smaller lines and retail merchants are commencing to complain that business is not what it should be at this period of the year. The larger manufacturers and notably those in the iron and steel trades say that there is every indication of increased business and that their orders for the present are sufficient to insure running full time.

The hue and cry raised several weeks ago by the daily papers inimical to the socialist rule of Milwaukee anent the thousands of men supposed to be unemployed in this city is refuted in the work of the free employment bureau established by the municipal government. During the first few days that this bureau was in force it was difficult to find positions for the men applying but as soon as manufacturers became conversant with the work the tables have been turned until there are now more jobs floating around than there are men to fill them. This would make it appear that Milwaukee is not experiencing any dullness in any particular line of trade and that there is a good year in store.

Oliver C. Fuller will Preside

Oliver C. Fuller, president of the Wisconsin Trust Company, will preside and act as toastmaster at the big trust company banquet

to be given in the ball-room of the Waldorf-Astoria, New York City, on May 5th. Mr. Fuller is president of the trust company section of the American Bankers Association. This will be the largest and one of the most important gatherings of trust company representatives ever held. According to Mr. Fuller, acceptances already received indicate that there will be between 500 and 600 at the banquet. Invitations have been sent to President Taft, Vice-President Sherman and the governors of many states. The speakers will be among the most prominent men in financial circles in the country.

Convention and Group Meetings

The time for the annual state convention of the Wisconsin Bankers Association is drawing near and the plans for various parts of the program are being put into shape though as yet the various committees do not care to make public their plans. The convention in Milwaukee will cover two days, July 12th-13th, and it is now intended to hold but one long business session each day thus enabling Milwaukee hosts to entertain their many visitors. A lake trip and a closing ball are talked of as part of the features to be provided.

At least one prominent speaker will be brought to Milwaukee, and unless present plans miscarry he will be a man of national reputation whose presence will add much to the value of the convention and attract many bankers from Chicago and other near-by large cities.

Group No. two will hold its annual meeting

at Madison, the date being set for May 13th and an interesting and instructive program is being prepared. Group No. Six will hold its meeting at Waupaca on June 26th and there is also a group meeting scheduled for some time in June at Green Bay. These Wisconsin group meetings are to some extent more instructive to the banker than the annual convention for only such subjects as may be of interest to that particular section of the state are touched upon and the majority of bankers are now commencing to look upon the attendance at these meetings as a part of their regular routine.

Bankers Active in Fond du Lac

The bankers of Fond du Lac are emulating the example set them recently by Milwaukee bankers and fresh reports of new purchases of property by some bank are of frequent occurrence. The Commercial Bank has purchased at a cost of \$20,000 the Buss granite block which adjoins the present bank building on the north and it is said that this bank will have, when completed one of the finest buildings in the Northwest.

Bills Restricting Banks

The senate committee on corporations recently decided to recommend concurrence in three bills. One prohibits any state bank from loaning more than 50 per cent of its capital, surplus and deposits on real estate security except by reason of its directors, prohibiting any bank from lending money on more than



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

ten per cent of its stock or that of any other bank and prohibiting the use of loose leaf books for original entries.

Check Forger is Sentenced

John Baccine, who many times in the past has successfully defrauded various hotels by passing forged checks, was recently sentenced to one year in the house of correction at Milwaukee for passing a forged check upon the proprietor of one of Milwaukee's leading hotels in payment for a week's board and lodging for himself and wife.

Among the Bankers of Wisconsin

At a meeting of the stockholders of the new Ferryville State Bank the following directors were elected: M. Barnham, John O. Nash, Robert Tweed, John Churness, John H. Sterling, E. C. Amann and Henry Schroeder. The following officers were later elected by the new board: president, M. Barnham, vice-president, John O. Nash; cashier, Fred Copsey. A modern bank building will be erected.

The Farmers State Bank of Bangor has recently installed a new steel burglar proof steel safe costing \$1,200.

FIRST NATIONAL OF FLORENCE, SOUTH CAROLINA

Originally The Peoples Bank, but for a year past The First National, this institution now has \$150,000 capital and nearly three hundred thousand dollars in deposits. The First National, and the Peoples Savings Bank and Trust Company, an allied institution, have resources of over \$600,000. For a three years' growth from a start in October, 1898, this is going some. The officers are J. W. McCown, president, S. H. Saunders and B. G. Gregg, vice-presidents, Julien C. Rogers, cashier and B. W. Covington, assistant.

Charles E. McNeil, vice-president and manager of Eck, McNeil and Company, commission dealers, will give a talk on "Cold Storage" before the Chicago Chapter, A. I. B., Tuesday, April 25th. Mr. McNeil is secretary of the National Association of Eggs and Poultry Dealers.

Kansas Bankers

"Financial conditions have improved wonderfully in Kansas during the past ninety days. Crop conditions are fine, and the fellows are all feeling good. A few months ago bank doors were opened in the morning with danger of financial catastrophes during the day, but now every bank in Kansas is in a flourishing condition. The money market has changed, and money is coming out of its hiding place just as fast as it disappeared ninety days ago."

That was the message that J. N. Dolley, state bank commissioner of Kansas, carried to the 300 state bankers of Kansas who held their meeting in Kansas City, Kan., April 13th. He was only one of a dozen or more members of the Kansas State Bankers Association from all parts of the state who made informal but enthusiastic reports.

This convention was the most successful in the history of the association. The following officers were elected for the ensuing year: President, M. B. Light, Winfield; first vice-president, E. S. Chapman, McCracken; second vice-president, H. D. Tucker, Eureka; secretary, W. E. Wilson, Washington, and treasurer, F. G. Bergen, Summerfield. These officers constitute the executive committee of the association and they will decide on the time and place for the next annual meeting.

TELLS OF EASTERN SITUATION

Joseph E. Otis, president of Western Trust and Savings Bank, returned Monday from New York. In speaking of the situation there he said:

"New York bankers generally are expecting easy money throughout the remainder of the year. There is a moderate demand, but the volume is such that large profits are not anticipated by the banks in 1912. There is, however, a feeling of confidence in the situation."

"The Eastern banks are impressed with the wide influence which the uncertainty over decisions in the Standard Oil and tobacco cases is having on the business of the country. More and more there is a disposition to hold off. This applies to conditions in general trade. The banks, too, are beginning to talk of congress and the probability that tariff discussion will be prolonged until late in the summer. This, of course, will make for dullness. The only real expectancy of activity is based upon the handing down of the supreme court decisions. Once those are out of the way it is thought by the bankers that there will follow improvement."



J. W. McCOWN
President First National, Florence, S. C.



JULIEN C. ROGERS
Cashier First National, Florence, S. C.



MECHANICS-AMERICAN NATIONAL BANK

OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

Little change worthy of mention was noted in the St. Louis monetary situation throughout the week. In certain quarters there were reports of improvement in the inquiry for credits, while elsewhere complaints were sent up of continued apathy on the part of borrowers. A certain thing, however, is that all the leading institutions are not pressed for funds, and reserves are nowhere alarmingly low. One peculiar feature in the situation is the way interior banking institutions are purchasing short time mercantile bills, this in face of the near approach of the time of agricultural need. As a rule country banks in this region are out of the market as lenders at this season, but on the contrary are borrowers. General commercial lines show decided signs of improvement, though this manifestation has not been sufficiently marked to affect the interest range. The brilliant crop prospect is doing more to restore confidence than anything else, and buying by mercantile concerns in the winter wheat section contributory to this city has been in heavy volume. In the extreme discount rates range between $4\frac{1}{4}$ and $5\frac{1}{2}$ per cent.

Promotion for L. E. Williams

The St. Louis Trust Company has promoted L. E. Williams to the position of assistant treasurer. Mr. Williams has been connected with the company for fifteen years, he having come to the Union Trust Company from the Commercial National of Detroit in 1896, and remained after the consolidation of the St. Louis and Union Trust companies. All told Mr. Williams had had about twenty-four years' banking experience, and is fully qualified to hold the important post of assistant treasurer in what is recognized as one of the strongest institutions of its kind in the country.

New National Bank Examiner

Walter H. Smith of St. Louis has been appointed national bank examiner for the state of Missouri. The commission was tendered to Mr. Smith by Lawrence O. Murray, comptroller of the currency, early last week. He will succeed Frederick O. Hicks, who resigned to become vice-president of the Mechanics-American National. Mr. Smith has been connected with the St. Louis Clearing House Association since its incorporation as assistant examiner. Before that time he was in the bond department of the Mississippi Valley Trust Company. The appointment has met general approval among the local banking fraternity.

Mississippi Valley Gets Estate

The Jemima Lindell estate, one of the wealthiest in St. Louis, changed managers last

week when the Mississippi Valley Trust Company qualified as successor trustee in place of the late Judge Wilbur F. Boyle. The estate is estimated to be worth well over \$2,000,000, represented by extensive real estate holdings, chiefly business property in the Washington Avenue wholesale district. Judge Boyle, who was a director of the Mississippi Valley Trust Company, managed the estate from the time of Mrs. Lindell's death, in 1896, until his demise.

Priest Elected Director

H. S. Priest, former United States district judge and one of the leading corporation lawyers of the country, has been elected a director of the Mississippi Valley Trust Company to succeed the late Wilbur F. Boyle, his law partner in the firm of Boyle and Priest. Frank C. Ball was elected safe deposit officer to succeed Charles W. Morath. Mr. Ball has been in the service of the company since 1906, when he resigned as assistant cashier of the Jefferson County Bank of DeSoto, Mo. He is secretary of the St. Louis Chapter of the American Institute of Banking and has been nominated for president of the chapter for 1911-12.

Chouteau Trust Company

The Chouteau Trust Company will formally open in its new building, at the wedge of Chouteau and Vandeventer avenues, on May 1st. The institution will do a regular trust company business. The officers are: W. S. Drozda, president; L. W. Hemp, vice-president; S. W. St. Jean, treasurer; J. W. Burian, secretary and H. R. Avis, real estate officer.

Bowman Talks on Cooke

The feature of the last meeting of St. Louis Chapter of the American Institute of Banking was an address by D. Arthur Bowman, the broker, on "Jay Cooke-Civil War Banker." The speaker drew an interesting contrast between bankers in the 60's and those of the present day.

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Crane on American Board

W. E. Crane was elected director of the Title Guaranty Trust Company and the American Trust Company to succeed the late P. J. Doerr. Mr. Crane is vice-president of Fort Smith and Western Railroad and a director of the Illinois Steel Bridge Company. He came to St. Louis two years ago.

Pauley Succeeds Doerr

P. J. Pauley has been elected president of the Lafayette Bank to succeed P. J. Doerr, who died early this month. Mr. Pauley was vice-president, J. A. Goettler, a director, succeeds him to the vice-presidency. Other officers elected were: F. C. Hahn, cashier; B. J. Boemker, assistant cashier, and P. J. Pauley, Henry Ziegenhein, Jr., J. A. Goettler, F. C. Hahn and B. G. Brinkman, directors.

TWELVE BANK ROBBERS CAUGHT IN SINGLE HAUL

New York, April 17.—Twelve bank robbers who have been giving bank cashiers and postmasters of the Middle West many uneasy nights in the last two or three months, were rounded up in one haul to-day in Toledo.

Word of the arrests came by private telegrams to-night to the Burns Detective Agency, which is employed by the American Bankers Association, and whose men have been after this particular lot since the burglaries began.

The gang has been working under the leadership of Felix Brock, who came out of the Ohio state penitentiary in 1907 and whose traces have been found at intervals since then. He is an expert mechanic and the Burns agency believes that he is one of the most skillful among the safe blowers in this country.

ISSUE OF BASEBALL BONDS

The Cleveland Baseball Club has made a \$300,000 mortgage to the State Banking & Trust Company, as trustee, for which bonds will shortly be issued. The bonds will be a 6 per cent issue, maturing \$30,000 a year for ten years and will be secured by mortgage on the club's realty, buildings and franchise. It is understood that the bank will take the bulk of these bonds, but some of them will be offered to the public. The mortgage cleans up existing indebtedness and gives the ball club a tidy sum for whatever improvements it shall contemplate.

Electors of Baker City, Ore., by a decisive vote approved the issuing of bonds to the extent of \$185,000 for the improvement of the water system, the establishing of a municipal lighting system and to pay for paving street intersections and other street improvements.

The Chatham and Phenix

National Bank of New York

192 BROADWAY

Capital and Surplus
\$3,000,000.00

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CHATHAM NATIONAL BANK, Established 1850
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Frank J. Heaney	- - -	Vice-President	Norborne P. Gatling	- - -	Assistant Cashier
William H. Strawn	- - -	Vice-President	Walter B. Boice	- - -	Assistant Cashier
Alfred M. Bull	- - -	Vice-President	Henry C. Hooley	- - -	Assistant Cashier

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL \$2,000,000	SURPLUS \$2,000,000	DEPOSITS \$35,000,000
--------------------------------------	--------------------------------------	--

C. H. HUTTIG, President	D'A. P. COOKE, Assistant Cashier
T. WRIGHT, Vice-President	R. S. HAWES, Assistant Cashier
G. W. GALBREATH, Cashier	H. HAILL, Assistant Cashier
J. R. COOKE, Assistant Cashier	E. C. STUART, Assistant Cashier

Philadelphia

The Tacony Trust Company has declared a semiannual dividend at 5 per cent.

Howard B. French, president of Equitable Trust Company, is back at his desk after an absence of several weeks, owing to ill health.

Hampton L. Carson, Esq., addressed the local chapter of American Institute of Banking on Benjamin Franklin.

William A. Law, vice-president of the First National Bank, has been elected to the directorate of the merged Chatham-Phoenix National Bank of New York.

In the 108 years of its existence, the Philadelphia National Bank, whose capital is \$1,500,000, has paid to stockholders no less than \$15,416,000 in dividends and has \$4,000,000 surplus and undivided profits. The bank in all this time has had but eight presidents.

It is expected that former State Treasurer John O. Sheatz will become president of the proposed Fifty-Second Street Bank. He is understood to have the endorsement of the chairman of the organization committee, Thomas F. Barrett. The bank is to be organized under state laws.

Thomas Gamon, Jr., has been elected assistant treasurer of First Mortgage Guarantee & Trust Company, of this place. This company has made a record of which its officers are justly proud, and in electing Mr. Gamon they are carrying out their policy of securing the best men they can find. Mr. Gamon has been associated with Corn Exchange National for nineteen years.

There is a movement on foot to make the small accounts carried by housekeepers in trust companies profitable, instead of having them show a loss as they do at present. Many of these accounts average less than \$100 and the expense of check books, deposit slips, book-keeping and the proportion of the overhead expenses more than counterbalances the advantage of having these accounts. The proposition is to place a small charge against each one of the accounts showing an average balance of \$100 or less, say of one dollar per month, to pay for the expense of carrying the account.

Pittsburgh

From the way the tickets are going, the prospects are that when the curtain goes up at the Nixon on April 27th for the "Bankers Minstrel" show, the house will be packed to the doors. As an added attraction for the lovers of good music, the executive committee announces the engagement of the popular soprano, Miss E. Lucille Miller, who will appear in a repertoire of new songs.

Two well-known banks of the city held their annual meetings Tuesday. The Anchor Savings Bank elected the following to the board of directors: John D. Brown, W. D. Henry, G. C. Dellenbach, Edward H. Straub, T. J. Keenan, L. P. Monahan, E. H. Myers, Jr., A. V. Holmes and Charles Delp. Three members were formally elected for the first time, being A. V. Holmes, W. D. Henry and Charles Delp, who take the places of members deceased during the year.

One change was made in the directorate of the City Deposit Bank, whose stockholders elected the following: James R. Mellon, David Blair, J. M. Lockhart, D. J. Kennedy, James A. Johnston, H. C. Frick, W. H. Goehring, Joseph R. Woodwell, E. S. Kuhn, Jacob Graff and William Frew, Mr. Graff being the new member.

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UNLISTED SECURITIES IN ALL MARKETS

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CHICAGO UNLISTED SECURITIES

Among the more active unlisted securities quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK
American Chicle (com).....	233	238
American Chicle (pfd).....	104	106
Am. Fork & Hoe Co. (com).....	134	140
Am. Fork & Hoe Co. (pfd).....	123	126
American Laundry (com).....	37½	38½
American Laundry (pfd).....	107½	110½
*Am. Light & Tract. (com).....	292	296
*Am. Light & Tract. (pfd).....	105½	107½
Amer. Type Fd'rs (com).....	50	51
Amer. Type Fd'rs (pfd).....	99	100½
Beatrice Creamery (com).....	94	96
Beatrice Creamery (pfd).....	89	90½
Bordens Cond Milk (com).....	110½	121½
Bordens Cond Milk (pfd).....	108	109½
Butler Bros.	296	299
Cities Service (com).....	64	67
Cities Service (pfd).....	76	78
Congress Hotel (com).....	78	82
Congress Hotel (pfd).....		68
Creamery Package Co.....	99	100½
Cumberland Tel. Co.....	149	151
Diamond Rubber Co.....	263½	267½
Elgin National Watch.....	157	
First State Pawnrs.....	112	116
General Motors (com).....	37	38
General Motors (pfd).....	76	77
National Grocer (com).....	27	29
National Grocer (pfd).....	81½	82½
National Safe Deposit Co.....	132	138
N. W. Gas Lt. & Coke Co.....	94	97
North Shore Electric Co.....	87	
Northwestern Yeast Co.....	355	365
Union Carbide Co.....	111½	112½
U. S. Gypsum (com).....	11½	12½
U. S. Gypsum (pfd).....	78	79
U. S. Motor (com).....	43	44
U. S. Motor (pfd).....	80½	82
Western Electric Co.....	218	226

Miscellaneous Bonds

Auditorium 5's (1929).....		94½
Auto Elec 1st 6's (1928).....	76	79
Chicago Athletic Club 5's.....	92½	94
Chicago & Milwaukee Elec 5's (1922)....	50	53
Chicago Sub'y 1st 5's (1928).....	25	26½
Cicero Gas 5's (1932).....	94½	95
Congress Hotel 1st 5's.....	93½	95
Dering Coal 5's (1955).....	32	36
Emp Dist Elec 5's (1949).....	76	79
Ill. Athletic Club 5½'s.....	90½	91½
Interstate T. & T. 5's.....	47½	48½
La Salle Hotel Co. 6's.....	98½	99½
North Shore Elec 5's (1940).....	98	98½
N. W. Gas Light & Coke 5's.....	99½	99½

*Ex. Dividend.

W. K. Vanderbilt, Jr., has been elected a director of the Chicago and Northwestern, succeeding the late Frank Work.

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FRED'K P. McGLYNN
Assistant Cashier

HENRY S. BARTOW
Assistant Cashier

HENRY P. DAVISON
Chairman Executive Com.



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George B. Case
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J. FRANKLYN BOUKER, Asst. Cash.

West Broadway and Chambers Street, New York

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The financial skies of the Central West have cleared perceptibly during the past week. While at no time since the beginning of the year has there been any real cause for anxiety, it cannot be denied that general business did not show the strength that had been expected. It is true that most men of affairs talked hopefully of the outlook but there were many who did not share their optimism. But conditions have now improved and bankers are feeling the revival. Cattle feeding operations have begun in the Southwest bringing a steady demand for money and crops generally are in excellent condition. The outlook for wheat has improved with recent rains and other farming operations are progressing splendidly. Mercantile business is increasing, building operations have taken on new life and extensions are being made in all directions.

The financial revival was not reflected in the record of bank clearings for the week ending April 14th because conditions improved very suddenly following Easter. In that clearing house statement all of the larger towns of the Central West showed losses. Kansas City had dropped from sixth to seventh place while Omaha also lost ground with a decrease of 19.8 per cent. Even St. Joseph, Mo., which had been making almost sensational gains shared the common lot with a decrease of 7.5 per cent.

New Guaranty Complication

The Oklahoma state banking board has decided to bring test suits against some of the state banks which recently nationalized to avoid the payment of the special assessment of 1 per cent on their deposits for the benefit of the state deposit guaranty fund. The board claims that these banks are liable if the assessment was made before they surrendered their state charters. The banks will resist and in all probability the matter will go to the United States supreme court. About \$150,000 is said to be involved in this issue.

Governor Cruce has issued a statement endorsing the state bank guaranty law, deploring

the opposition of the national banks to the law, and warning its enemies that the sooner it ceases the better it will be for all concerned. The governor also threatens to withdraw state deposits from national banks.

"So far as my investigation goes," says Governor Cruce, "no banking law has met with as strong and determined opposition as the Oklahoma banking law, and especially that feature of it that provides for the guaranty of deposits placed in state banks. In their efforts to discredit and overthrow the law, its enemies have taken every unfair advantage, have purposely misrepresented and misstated facts, and are now circulating all sorts of false rumors concerning its practical operation. Had the same statements been made concerning national

banks that have been made concerning state banks, during the past sixty days, many of the national banks of Oklahoma would now be in the hands of a receiver and a financial panic statewide would have swept over Oklahoma.

"After more than three years of trial, no depositor in any state bank in Oklahoma has ever lost one penny of his money, and though we have had several banks liquidate under the Oklahoma state banking law, no inconvenience has been felt by any man having his deposit in state banks, or has any depositor had to wait one day to receive his money. The supreme court of the United States has decided that our law is constitutional, and is founded upon just and equitable principles. This law is a fixture in Oklahoma, and the sooner the enemies of the same, especially the national bankers of the state, realize this fact and accommodate themselves to it, the better it will be for all banking institutions of the state."

State Banks and Aldrich Plan

Where do the state banks come in under the Aldrich plan? That is the question that is worrying J. N. Dolley, state bank commissioner of Kansas. In a statement issued last week Mr. Dolley declares that he is going to take this matter up with other state banking departments to see what action can be taken to include state banks in the general banking reform program. Mr. Dolley says:

"There are between 12,000 and 13,000 state institutions in the banking business in this country and about 7,000 national banks. The state institutions have on deposit and are doing more than 50 per cent of the entire banking business. The Aldrich plan makes no mention of what they expect to do with state banks. It seems they intend to entirely ignore them. I believe that the state institutions should organize nationally and help write the bill that will be presented to congress to relieve our ills. I am sure that the state institutions do not desire any advantages or favors over the national institutions, but will insist and demand that all opportunities under the bill must be equal

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GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908 \$ 9,887,954.84
February 5, 1909 11,617,691.24
March 29, 1910 15,041,357.21
January 7, 1911 16,736,997.29
March 7, 1911 21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

to both state and federal institutions. I expect to take up the question of the interests of the state banks with the several banking departments of the country and decide upon some plan of action. I am positively opposed to any bill passing congress that has not been agreed on and approved by the state institutions."

Miscellaneous News

The Nebraska legislature just before its recent adjournment passed an amendment to the bank deposit guaranty law providing for three additional members of the state banking board to help carry out the provisions of the law. Almost immediately after approving this amendment Governor Aldrich announced these appointments to the board: Joseph Pigman of Broken Bow, R. Sprinter of Lincoln and L. P. Albright of Red Cloud. The salaries of the members of the banking board have been raised from \$1,800 a year to \$2,000 each.

The Citizens Bank of Mountain Park, Mo., closed its doors April 17th. The state bank examiner is in charge. R. H. Jones, vice-president; J. Will Jones, cashier and D. C. Eagan, bookkeeper, were arrested pending investigation. The bank had a capital stock of \$10,000.

Nick Ellis, former cashier in the Planters and Mechanics Bank of Oklahoma City, Okla., who was arrested recently on a charge of forgery, has been released and the case is dismissed.

The Continental Trust Company of Oklahoma City has completed its organization and has started business. It has a capital of \$500,000 and will do a general banking and loan business in quarters formerly occupied by the Oklahoma City National Bank, 132 West Main Street. The officers of the institution for the first year are: E. B. Cockrell, president; H. W. Pentecost, vice-president; D. A. Duncan, secretary and treasurer and E. E. Wittier, assistant secretary.

George Reed, the alleged bank robber who was arrested at Nelson, Neb., last week, is wanted in Monmouth, Ill., where he is charged with helping to rob the Swan Creek Bank. Reed is also believed to be one of the gang that committed thirty-two successful bank robberies in Kansas, Missouri and Nebraska last fall and winter.

Miss Agnes Jackson, 20 years old, an employee of the First National Bank of Kansas

City, was run over by an automobile and killed last week. She was exceedingly popular in the bank and the other employees and officers sent several beautiful floral offerings to her home.

F. G. Varey, sixty years old, a clerk in the Corn Belt National Bank of Kansas City, died at his desk, April 16th, of heart disease.

COLORADO PASSES BANK GUARANTY

Denver, Colo., April 18.—The senate to-day, by a vote of 25 to 7, passed the bank guaranty bill. This is the second of the democratic platform pledges to go through.

SAUNEMIN STATE BANK CHARTERED

Springfield, Ill., April 19.—Auditor McCullough to-day granted a permit to I. M. Lish, P. H. Lannon, T. L. Spafford and H. J. Mies to organize the State Bank of Saunemin, at Saunemin, Livingston county, with a capital of \$25,000. The charter duration will be ninety-nine years.

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J. J. Browne of Spokane, owner of a string of banks in Eastern Washington and Northern Idaho, will succeed himself as regent of the state of Washington College at Pullman. The appointment will be made by Governor Hay.

REYNOLDS BACK FROM EAST

President George M. Reynolds of the Continental and Commercial National just back from New York, reports that business in New York is duller than it has been in years.

"The bankers I saw do not seem to be blue or discouraged, however," said Mr. Reynolds. "They are getting used to the dullness and seem to expect better things later on. Things are worse in New York than they are in Chicago. We talk of poor business here, but the bank clearings indicate that, in a quiet way, a good deal of business is being done.

"There is a feeling among bankers in New York, based on information from Washington, that before the trouble in Mexico is ended American troops will be over the border in an effort to put an end to the insurrection. In New York they do not consider that such a step would result seriously to this country and they do think it may be necessary in order to defend American interests."

MONTANA MEN OPTIMISTIC

T. A. Marlowe, president of National Bank of Montana, Helena, and F. S. Lusk, president of Missoula First National, were Chicago visitors the fore part of the week. In conversation with Vice-President August Blum of First National here, both of these visitors spoke in glowing terms of business prospects in Montana.

OSHKOSH BANKER HERE

Louis Schriber, cashier of the Old National Bank, Oshkosh, visited Chicago last week. Mr. Schriber reports business conditions as being satisfactory in Wisconsin, and says the officers and customers of Old National are finding substantial comfort in their new bank quarters.

INDIANA BANKERS IN TOWN.

President Albert D. Gayle of First National, Richmond, Indiana, and President Earl S. Gwin of Second National, New Albany, were callers at First National, Chicago, the fore part of the week.

Editorial Comment

ARGUMENTS FOR ELASTICITY

Practical arguments in favor of an elastic currency are furnished in business conditions that have been experienced within the last six months. During the crop moving period of 1910 there was not money enough in the country for the legitimate demands of trade, but since the first of February there has been such a plethora of capital that bankers have found it impossible to keep their funds profitably employed.

It is the hope of financiers that a plan will be evolved from the present discussion which will give to the nation's currency that element of elasticity which obtains in other countries. Charles H. Huttig, chairman of the currency commission, puts the case in these words:

"In Canada as well as in other leading civilized nations of the world the supply of money nicely adjusts itself to the requirements of business, whereas in the United States, because of the non-elasticity of our currency, business must conform to the volume of money."

It is pretty generally admitted that the country at times needs a larger volume of currency. This need has long been felt in the business world. Financial theorists have advanced all sorts of plans to meet the demand. Around this idea for more than a century battles have been fought. One element has stood for responsible banking and a central authority, believing that the federal government should in a large measure direct and control banking methods and the issuance of currency. This view prevails in all other leading nations and is the aim of the Aldrich plan in the United States.

Theorists with other views have seen experiments of all kinds tried and to-day we have a monetary system that is unsatisfactory to all. In the light of past failure and present dissatisfaction would it not be wise for this country to adopt a principle that is approved by the banking element as a whole and endorsed by all the successful nations of the world?

Speaker Clark and certain other leading democrats in congress are opposed to everything which savors of a central banking power, and their attitude brings an element of uncertainty into the legislative situation. The country at large seems to be strongly committed to the Aldrich plan and the case now rests with congress.

Commissioner J. N. Dolley of Kansas makes a strong protest against the enactment of any currency law which fails to embrace state banks. Mr. Dolley is making a record as a clear-minded and energetic bank commissioner and his views on currency legislation will attract attention. So far as his utterance goes

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

toward a demand for uniformity his position will be almost universally endorsed. The nearer the country can come to unity in banking the better it will be for the whole people.

LIGHT EXPORTS AND LOW PRICES

As further evidence that we are in a period of declining prices it is only necessary to point to the lighter exports and the good crop prospects.

The government's figures of farm products exported during March show a decided decline in the total from February.

The figures of our foreign commerce during March, issued from Washington, show a downward trend in exports, due obviously to the falling off in shipments of cotton and grain to Europe.

From the reported condition of winter wheat on April 1st of 83.3, as applied to the 34,485,000 acres under cultivation in December last, the New York Produce Exchange statistician estimated that the harvest should be 541,415,000 bushels. This would be a record crop and could not fail to depress the price of foodstuffs. Spring wheat prospects could not be better than they are at present and a larger crop than that of last year is assured.

This situation indicates lower prices for the necessities of life and it also indicates that the looked-for trade revival is not far off. Industrial activity is bound to come when big crops of wheat, corn and cotton are in sight, notwithstanding that prices to farmers may be low.

Merchants and manufacturers generally are guided in their commitments for the last half of the year by conditions in the agricultural regions, which lay the foundation for business contraction or expansion in this and other producing nations. Fortunately, the prospects for a bountiful harvest were never more promising than they are this year.

DEATH OF A BANKER

Walter Vail, aged 64, former mayor of Michigan City, Ind., president of two banks and a director in the Haskell and Barker Car Company, who was given country-wide publicity several years ago as the first man who ever refused a pension from the United States, died recently of paralysis.

PROGRESS OF KANSAS

At the recent convention of Kansas bankers emphasis was given to the fact that that state is both progressive and prosperous. Bank failures are few and far between in Kansas these days. This is proof of general prosperity in the state and of the high character of its financial men. Kansas is outgrowing the old radical notions and taking its place with those states which believe in conservative and sound business principles. A feature of commercial life which has done much to establish the prosperity of Kansas is the wide diversity shown in city trade as well as in agriculture. The guaranty move is only an incident. All reports made at the bankers' convention tended to illustrate the stability and progress of the commonwealth.

Convention Dates

LOUISIANA—Baton Rouge, May 2 and 3; Secretary, L. O. Broussard, Abbeville.

FLORIDA—Ocala, May 10 and 11; Secretary, Geo. R. DeSaussure, Jacksonville.

MISSISSIPPI—Greenwood, May 10 and 11; Secretary, Richard Griffith, Vicksburg.

NEW JERSEY—Atlantic City, May 12 and 13; Secretary, Wm. J. Field, Jersey City.

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Oklahoma City, May 22 and 23; Secretary, W. B. Harrison, Enid.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

GEORGIA—Tybee Island, Ga., June 8 and 9; Secretary, L. P. Hillyer, Macon.

PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

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Bankers at Summerville with paper advocating the Oklahoma plan in some form.

John D. Walker of Sparta, Ga., entertains the South Carolina

I bespeak the utmost stretch of your courtesy and fairmindedness in presenting my views on a subject, which, while tremendously important to the people at large and, I think, generally desired by them, is frowned upon, as a rule, by bankers, or at least is regarded with suspicion by many of our fraternity.

I come to you not as a Moses prepared to lead the bankers or the public out of the wilderness of wreck and ruin resulting from failed banks, nor to show you the promised land, but rather as an unassuming disciple of the best principles of banking, anxious to know what is best for us, as bankers, to do, and believing that this "exchange" of views will not go to protest—in the minds of all of you, anyway. If you differ with me, as I know some will, it will be an advantage rather than otherwise; for it is only through friction of minds, as well as matter, that action can be secured.

In favoring "The Guaranty of Bank Deposits," either by the United States government, the state, or a combination of bankers, I am doubtless proving to some in this assembly the truth of the old adage, "Fools rush in where angels fear to tread"; yet, I dare to believe that in a few years practically every state in the union, or the United States government, will provide for the people, whether we bankers favor it or not, this protection to the depositors and the business interests of the country. It may not be a law similar to the one in Okla-

homa, Texas, Kansas or Nebraska, but it will be such a law as is founded on justice and common sense, and that will best conserve the welfare of the entire people. The fulfillment of this prophecy may work a hardship on some, but the good of the many is the basis of all sound laws, and not infrequently the few have to suffer that the many may be protected.

Every man, woman, child and institution in this state and the United States has a vital interest in the proposition I am bringing to your consideration; for out of every seven persons in the United States, one is a depositor. Banks are not only the depositories for the money of the people, the state, the government, but the chief cornerstone of our industrial organization. To make them as safe as the government, should be the aim and ambition of every banker.

Banks now, as always, occupy an exalted station in the minds of the people, and they can only retain this through the confidence of their depositors, whereby they are enabled to create credit to an amount many times greater than the actual cash deposits. Whenever confidence is shaken or destroyed, the depositors demand their money at once, the banks undertake to recall their loans and refuse to lend money or credit on the best security, and, as a natural result, business collapses and a panic ensues.

The unwarranted panic of 1907, falling upon

us when the tidal wave of prosperity had reached the highest mark in history, was due to no other cause than the destruction of confidence in our banking system. This panic began, continued and ended, all in New York, practically, and yet, southern banks, with the gathered and partly sold bumper cotton crop, were forced to follow the lead of the New York banks and issue clearing house certificates, thus advertising their inability to cope with the situation and, as a result, they lost the respect of many and the confidence of thousands of farmers for years to come.

It has been stated by an authority on banking subjects, that taking the banks and trust companies of this country as a whole, their deposits average ten times their total cash, and if 5 per cent of their deposits should be suddenly withdrawn for hoarding, it would take from the banks one-half of their cash, thus precipitating one of the worst panics in history.

Our nation has passed through so many of these fearful calamities that we now look forward to a periodic panic.

Panics are so destructive to business and such disturbers of peace and checks to prosperity, that it is the part of wisdom to do everything possible to prevent them, even if it does require the changing of our fixed views and less profit to our stockholders. It should be our paramount concern, as it is the general demand of the people, that panics be made impossible.

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INVESTMENT SECURITIES

and the guaranty of deposits will do this, since depositors will then keep their funds in banks knowing they are safe.

The president of a bank in a Virginia town, when a run started on his bank, appealed to the frenzied depositors to desist, stating that the bank was perfectly solvent and would pay every dollar, if given time, but his appeal was without avail. As a last resort, he announced from the steps of the bank that he would pledge his real and personal property as a guaranty of their deposits, and the "run" ceased. This is an illustration of the fact that people will act sensibly and leave their funds in the bank, when they know they are safe.

Banks are quasi-public institutions, and subject to such restraints and demands as the state or national government, acting as the guardian of the people and their representative, may impose upon them. For the government or the state to require, under some sane plan, the guaranty of deposits, is no more their duty than to require railroads to adopt safety appliances or bond companies and insurance companies to make deposits to protect policyholders.

The principle involved is one that has been tested and proven a success, not only in Germany, where for twenty years, there has been no bank failures, and in Mexico, but in the states of Oklahoma and Kansas for several years.

Massachusetts has had a law requiring the guaranty of deposits in savings banks for nearly forty years. Four other states, viz.: Nebraska, Texas, South Dakota and Kansas, have adopted the guaranty system of bank deposits.

Guarantee deposits, and it will bring our whole banking system into harmony with modern requirements and will place it upon a higher plane than ever in its history. Then and not till then will peace, prosperity and pass books abound and equity and justice be realized as a living principle in our banks. Continue our present policy of every depositor for himself and "the Devil take the hindmost," and confidence will be shy and fickle, ordinary scares will precipitate runs on banks, hoarding and hiding will go on, panics will come, and those who should be our customers will continue sending abroad hundreds of millions of dollars that should be deposited in the banks of this country.

In the last national campaign, the democratic

party, in response to the demand from the people, favored the guaranty of bank deposits. The republican party, reading the handwriting on the wall, asked for the same thing in the only way left them, by adopting a plank favoring postal savings banks. These banks were opened in January, 1911, and Postmaster-General Hitchcock says he is very much pleased and gratified at their success, and that he is going to ask congress for an additional \$500,000 in order to establish more of them. If it be true that they are a success, and I doubt it, based on figures in my possession, which show that after a trial of two months, in the forty-eight banks established, there have been opened 3,923 accounts and 6,861 separate deposits made for an average amount of \$21.50. And during the same period, 259 accounts have been closed, leaving net accounts 3,664, with deposits of only \$133,869, which, at the same ratio for the next ten months, would give the postal savings banks of the United States, at the end of the first year, about \$800,000 on deposit (secured, mind you, without solicitation, as we have to get them) then it is all the more essential that we have a guaranty law to use with our people, so that the government banks will have no advantage to offer over state or national banks. Are we, the people, which is the government, going to guarantee deposits in postal savings banks without cost to Uncle Sam, thus giving it an advantage over the licensed and taxed banks of the country, and deny our own institutions this protection and means of getting business?

We must not lose sight of the fact that postal savings banks are very new competitors, and so far have only been located in small cities and towns of the various states. For instance, the one in this state was opened at Newberry, and be it said to the credit of South Carolina and Newberry citizens, it only has eighteen depositors, with \$199.00 to their credit—the smallest sum secured by these government impositions in any state in the union. But should these banks be opened promiscuously in the large and important cities of the country, as it is likely will be done, unless we bankers can secure a law that will make our banks practically as safe as the government banks, how soon, think you, will it be before some of our deposits will be going where they do not belong, i. e., to the collecting agencies of the United States government?

And I'm opposed to the scheme of centraliza-

tion of finances and political influence anyway, whether the party in power be democratic or republican, saint or sinner, white or black, Wm. H. Taft or Woodrow Wilson.

Such eminent bankers as Lyman J. Gage, ex-secretary of the treasury, Gen. A. B. Nettleton, ex-assistant secretary of the treasury, H. E. Otte, of Illinois, Senator Owen of Oklahoma, and the bank commissioner of Michigan, Mr. Zimmerman, all of whom are men of wide banking experience and sound financial views, favor a system of guaranty of deposits. With all this array of good witnesses, and others too numerous to mention, it cannot be said that this is a theory born in a political campaign, nor one that lacks reputable supporters.

A great deal is said and written of the Oklahoma law, and while I am aware of the fact that there are three kinds of liars—the ordinary liar, the d—liar, and statistician, you cannot contradict the correctness of the figures, which are taken from the sworn statement of the bank commissioner of Oklahoma, and they constitute such strong corroborative testimony in support of my argument, that I cannot refrain from referring to them.

* * * * *

The United States and state governments require the guarantee of their funds, and many of us seek their deposits, notwithstanding. Then why is it not just and right that they should care for their citizens the same way and protect the individual depositor, even if it does make it harder (apparently only) on the banks? The government can afford to stand the loss much better than the average individual.

Again, from 70 per cent to 80 per cent of the profit in our banks is the result of using the depositors' money; yet these depositors have no word in the management of the banks, neither can they know very well the actual condition of the banks.

Is it not also just to guarantee the individual deposits, since 95 per cent of the medium of exchange in this country is composed of funds belonging to the depositor? And under our present plan of giving security to the United States, the state, the city, we not only make of these preferred creditors, but we really lessen the security to the average depositor.

The government, by reason of its power to demand protection, gets it from us, while the depositor has perchance only left to him "the crumbs that fall from the rich man's table."

(Continued on page 21)

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Institute of Banking a Force for Country's Business Growth

GEORGE R. MARTIN, Seattle National Bank.

The American Bankers Association made the American Institute of Banking necessary when it arrived at the realization that the profession of banking had reached the highest standard in business ethics, which would have to be maintained. Banking had passed beyond the mere stage of trade and barter to a profession, equal in greatness of its power and influence with the professions of law, medicine and divinity, greater than either as an economic necessity and stronger than either as a guiding force back of the enterprise and development of the world.

The tremendous advances of commercial life during the last twenty-five years by means of mergers, consolidations and counter consolidations built up within the cities the present giant financial institutions. It is a story replete with the history of dollars, their issue, flow, exchange; the story of the sources of wealth, from whence it came and by what methods it is produced; the history of the ever-varying trade conditions, the markets and the expansions and contractions of credit.

Complex and intricate became the business of banking and specialization, and overspecialization was the result. The conditions created afforded little chance to the average bankman for gaining much information about banking outside of his own particular department. Not only was the bankman unable to acquire an adequate conception or any useful knowledge of the banking business, but he was dwarfed by monotony and routine to an indifference to bank work and to life, keenly felt by the large banks of the country.

At the 1900 convention of the American Bankers Association, held at Richmond, Va., the young, progressive, energetic bankers in attendance urged that some action be taken toward improving the bankman's conditions. It was an appeal made to one of the most powerful organizations in this country, representing 90 per cent of the banks of the United States. The response was the passage of a resolution authorizing the educational committee to organize the American Institute of Bank Clerks, which was afterwards changed to the American Institute of Banking. And the foundation was laid for a towering structure, which upon its inception caught the spirit of the men who prompted it—education, brotherhood and fraternity.

The American Institute of Banking is composed of seventy chapters in all the large cities of this country and Canada. Its membership includes over 10,000 men—the men behind the financial guns of an empire, with \$11,432,000,000 for their ammunition, for these dollars are the aggregate deposits of all the banks represented in this remarkable organization; a membership representing the best and highest in American citizenship.

This means that honesty and efficiency must be the sentry word of the bankman and that determination and endurance must mark his way. These are the credentials which make good a citizen; credentials which keep him alive to every issue, civic, financial, moral, political—which keep him ready for every opportunity, every duty. This is the type which is

to-day predominant in the chapters of the American Institute of Banking. Such must always be the type, if the institute is to continue to be active in the best movements for civic and moral as well as financial progress.

The underlying principle of the institute is education. The study courses cover not only practical banking, but political economy, commercial and banking law and negotiable instruments and other subjects of vital importance to the banking business. For the bankman to devote his leisure hours to study, he must be a man of will and industry. The hours of the bankman to-day are long—in most cases equal to those of men in any other line of endeavor, and are of a much more confining nature.

Most of the chapters have permanent club rooms and hold monthly or bimonthly meetings, at which some prominent banker, educator or professional man addresses the chapter. Debates and discussions are important features of the meetings, including parliamentary drills and practice in public speaking and dramatics. The whole field of banking education is brought to the bankman, practically without cost, by a system of correspondence and classroom instruction, lectures and personal research. Its one purpose is to broaden the bankman, to increase his efficiency, to enlarge his vision of life and to keep him interested in his bank work and world affairs, that he may bring to the administration of the banking affairs of to-morrow the same potent ability, completeness and energy which mark the administration of banking affairs of to-day.

The American Institute of Banking in the eleven years of its existence has met the expectations of the bankers who founded it, and was made a "section" of the American Bankers Association at the latter's Denver convention—an integral part of that great organization. The chairman of the executive committee of the institute is now a member of the executive committee of the parent organization and the official publication of each has been merged into one comprehensive banking journal, The American Bankers Journal and the Bulletin of the American Institute of Banking, the spokesman for the whole banking fraternity, but especially addressed to the junior members. Statistics show that 80 per cent of the promotions to official positions in the banks of the chapter cities have come from the ranks of the active chapter men. One of the first questions asked to-day of a bankman, seeking a position in an Eastern bank is, "Are you a member of the American Institute of Banking?" It stamps him a progressive—indicates the extent of his acquaintance among bankers and bankmen, and announces his willingness to make the most of his opportunities.

The signs of the times point to large things. The world demands of the men who would measure their success in life above the average that they contribute part of themselves to solving the entangling social and economic problems which confront it; that they take a broader view of life and interest themselves, not merely in their own business or profession, but in the big, wide questions of the day. There will always be the passive man, the pessimist and the recluse to bemoan every situation and cry out

against progress, but the American Institute of Banking is breeding active, live men, and the banking interests of the nation and the people at large will feel the beneficent influence as its work continues.

Seattle chapter of the American Institute of Banking is one of the youngest chapters in the organization but has had an eventful career. With no traditions to guide it, distant from the great chapters of the East and South by 2,000 miles, and outside the pale of the strong national spirit of fraternity which has been fostered by those chapters, it is commendably expressive of the spirit and enthusiasm abounding in Seattle Chapter that it has grown from an experiment to an aggressive organization of real usefulness and power in this community.

For four months prior to the Alaska-Yukon-Pacific exposition and while the exposition was in progress, the local chapter published a monthly magazine in the interests of the exposition, Seattle, the Puget Sound country and the banking fraternity. It was a comprehensive little booklet and, sent to many banks and bankers of the country, effectively advertised the limitless resources and wonderful growth of the whole Pacific Northwest.

During the exposition period, Seattle Chapter was successful in bringing to Seattle the national convention of the American Institute of Banking, which possibly brought to this city more visiting bankers and bankmen from the East and South than had ever been here up to that time. Seattle Chapter helped to demonstrate that Seattle is a great convention city and the city has received much publicity from its efforts. The Tri-State Bankers convention found the chapter again active—assisting the bankers of Seattle and the Washington State Bankers Association in entertaining their guests.

Many bankers and professional men of prominence have addressed the chapter at the regular monthly meetings held in the Elks' Club rooms in the Alaska building. Inter-banking debates and debates with Tacoma's enterprising chapter have been held and classes in banking and commercial law have been successfully organized and well attended. It is a glowing tribute to the chapter that many of the bankmen who have been promoted to official positions in Seattle banks during the last few years owe their promotions in a large measure to their activity in chapter affairs.

Recently, at the Hotel Washington, Seattle Chapter held its first annual banquet. Two hundred and eighty-five bankers and bankmen were in attendance, the largest gathering of its kind ever attempted in Seattle. At the speaker's table sat the heads of most of the city's big financial institutions, the speakers and the officers of the chapter.

Plans are now under way for a permanent home for the chapter. It now seems imminent that before many months permanent club rooms—Seattle Chapter's greatest need—will at last be successfully accomplished. With permanent club rooms, the chapter will be secure. New and broader fields of activity and opportunity will widen before it. With a permanent home, the chapter will continue to grow in strength and usefulness, giving to Seattle and



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Farmers' & Merchants' Bank, Minneapolis, Minn.
Northwestern Bank Building, Minneapolis, Minn.
First National Bank, Cleveland, Ohio
Western German Bank, Cincinnati, Ohio

Guardian Trust Building, Cleveland, Ohio
First National Bank, Boston, Mass.
Old Colony Trust Building, Boston, Mass.
Suffolk Bank, Boston, Mass.
First National Bank, St. Paul, Minn.
Laclede National Bank, St. Louis, Mo.
Land & Title Building, Philadelphia, Pa.
National German American Bank, Wausau, Wis.
Nova Scotia Bank, Toronto, Ont.
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the banking centers of the Coast its output of energetic and capable young men, who will always attribute their connection with the American Institute of Banking as playing an important part in their training for success.

The chapter is under a control of a board of governors consisting of R. H. Edelen, Northwest Trust & Safe Deposit Company; J. C. Norman, Dexter Horton National Bank; A. T. Drew, American Savings Bank & Trust Company; Charles L. Schaefer, German-American State Bank, and J. Newberger, of the Seattle National Bank, and the officers, William Crawford, National Bank of Commerce, president; E. G. Norris, Scandinavian American Bank, vice-president; Joseph C. Glass, Bank of California, secretary and R. C. Hazen, Washington Savings & Trust Company, treasurer.

The officers of the national organization are: President, Ralph H. MacMichael, Mellon National Bank, Pittsburgh, Pa.; Vice-President, Lawrence C. Humes, First National Bank, Memphis, Tenn.; Secretary, Charles R. Marston, National Shawmut Bank, Boston, Mass.; Treasurer, Rennie J. Taylor, Citizens' & Southern Bank, Savannah, Ga.; Educational director, George E. Allen, Pine Street, New York City.

PENNSYLVANIA'S NEW STOCK

Pennsylvania railroad directors have announced a stock allotment of 10 per cent to stockholders of record May 5th at par. Stockholders may subscribe for the new stock between May 31st and June 5th.

Payments may be made in full or in two installments of 50 per cent each. Full payment may be made at any time between the subscription dates. Of payments made by installments, the first of 50 per cent must be made between May 31st and June 5th, and the second installment between August 28th and September 1, 1911. Warrants will be issued to each stockholder for 10 per cent of his holdings.

The amount of stock outstanding on March 1st was 8,252,324 shares, of par value \$412,616,200. The amount of stock on which the 10 per cent allotment will be made to stockholders of record May 5th will not be greatly different from that of March 1st, in which case the amount of new stock issued will be \$41,261,620. The total amount of stock outstanding after the allotment is complete will be about \$454,000,000.

The Sense of Fitness in Financial Advertising

By Francis R. Morison

If bankers would pay more attention to the sense of fitness in the publicity which they issue, whether it be in the form of newspaper advertisements or direct follow-up matter, there would be many fewer sins committed against good taste in the name of financial advertising.

Many bankers seem to believe that they can disregard the carefully thought out, proved and established principles of advertising and by following out their own personal theories build up their institutions almost over night.

It has been demonstrated beyond all question in commercial advertising, and the same holds true for all kinds of publicity, that the advertiser must study the public taste and give the public what it wants as well as what it needs. In other words, the public will pay for what appeals to it and not for what appeals to the advertiser.

Of course, public taste is one of the most difficult things in the world to gauge. But there is a safe and sane middle path to follow which avoids offensive radicalism yet is not so stilted as to fail to reach the everyday person.

In order for bank advertising to be successful it must be planned and outlined as the result of the most careful consideration and must follow a definitely worked out method. It is hardly necessary at this day to emphasize the

fact that advertising is not a hit-or-miss proposition and that it is a great deal more than the mere writing of copy. Modern advertising means the building up of business by the employing of every legitimate method of suitable publicity.

The banker makes a direct appeal for the money of the community, he asks the men and women and the boys and girls to place in his control the money they have earned, very often by arduous and painful physical toil or by long and tiresome hours at an office desk, or even through self-denial almost criminal in its sternness. It is not to be wondered at, therefore, that those who save a portion of their hard-earned money should exercise great care in selecting a bank in which to place it. Consequently, it is necessary for the public to be educated regarding the safeguards and facilities provided by a bank for its customers. Just as a banker demands the most complete and unequivocal knowledge of the security offered by those who wish to borrow, so he in his turn should be thoroughly frank and open in his statements regarding the details of his business to the public whom he wishes to secure as customers.

There is perhaps no branch of advertising that is so intricate and that calls for so much expert knowledge as financial publicity. While as a study from the psychological standpoint it is fascinating, as a matter of routine it soon threatens to become very tedious as well as extremely difficult. There is the same old ground to be gone over in a different way week after week, month after month, year after year. The additions which a bank makes to its equipment and to its service are infrequent and thus it soon proves a very real task for the average banker to originate changes of advertising copy. The result, practically without exception, is that he soon finds he cannot spare the time to give the matter the attention it deserves and so he ends by charging his advertising experiment to profit and loss, practically abandons the entire matter or buys some syn-

BONDS FOR SALE

Lee County, Arkansas, Road Improvement

Bids for the sale of \$100,000 Lee County, Arkansas 5% Road Improvement, 30 year serial bonds, will be received up to and including May 1, 1911, by the undersigned at Marianna, Arkansas, each bid to be accompanied by a certified check for 2% of the face value of the issue, the right being reserved to reject any or all bids received. Bonds will be issued in denominations of \$1000, all interest payable annually, and will be made payable at any point to suit the purchaser. Address all communications to,

R. L. MIXON, Chairman
Lee County Road Commission



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

This bank pays 3% interest on inactive accounts of financial institutions and also places at their disposal every facility for the transacting of any banking business. Correspondence invited.

LUCIUS TETER, President
EDWARD P. BAILEY, Vice-President

JOHN A. McCORMICK, Vice-President
HOUSTON JONES, Cashier
H. T. SIBLEY, Manager Investment Department

WILLIAM M. RICHARDS, Asst. Cashier
EDWARD J. PRESCOTT, Secretary

RESOURCES OVER FIVE MILLION DOLLARS.



dicare atrocities at bargain-counter prices and then allows the whole question to take care of itself as best it can.

It is almost unnecessary to add that in order for advertising to be successful it must be established at the beginning on a foundation of not only good quality but of systematic persistence.

The advertising of a bank must begin at home. Before a financial institution can be in a position properly to ask the people to patronize it, it must be in order both literally and figuratively. All details suggesting carelessness or lack of system should not be tolerated for a moment. This may appear somewhat elementary but it must be remembered that the average person instinctively forms an opinion of a bank and its methods by the general character of its appearance and of the service rendered by its officers and employees. Furthermore, every employee of the bank should be made to feel that he is a factor in the success of the institution. A bank is a most excellent example of the old saying that a chain is no stronger than its weakest link. A discourteous employee may, in a few minutes, counteract the good work of months of accumulative effort of the best advertising.

Having inaugurated a campaign of advertising upon a dignified yet actively progressive basis, in order to bring the fullest measure of prosperity to the bank the publicity should be supplemented by intelligent personal effort. Recently a successful banker in a Middle West town stated that he attributed a very large measure of the success of his bank to the fact that in order to supplement his newspaper and other advertising, he made it a point, whenever he could possibly spare a few moments, to go to the main banking room and greet the people who came into the bank whether or not they were regular patrons. This was done briefly yet courteously and that this policy has succeeded is evidenced by the fact that his bank, while a young institution, has during the four years of its existence built up its business in a remarkable way, outdistancing several older banks which have persisted in conducting their affairs along the old traditional banking policy of too much conservatism.

Bankers, therefore, should see that their advertising is well balanced; they should make sure that it applies properly to the people from whom deposits are drawn and that it is supplemented with courtesy on the part of every employee and personal cordiality from officers. With a careful definite plan of publicity, systematically carried out and intelligently cooperated with by the entire banking force, it is a matter of absolute certainty that any reliable well-managed bank can increase its business steadily year after year. Things may go a little slowly at first but just so sure as day follows night the advertising pull will be felt stronger and stronger until it exerts an irresistible force that will result in splendid growth on a permanent foundation of success.

WHEN THE GAME IS BREAKING LOOSE

BY HEK.

'Tis impossible to hold it in the confines of the Pink.

Behold, you see it spreading every which way from the jack.

It penetrates the noodles of the gentlemen who think,

And it flavors e'en the wording of the deep forensic crack.

Its spirit has some bearing on the argument abstruse.

For everyone writes baseball when the game is breaking loose.

We have baseball and the tariff, we have baseball and the trusts,

We have baseball actuating all the forces that uplift.

We've analogies on baseball so's to penetrate our crusts

With dope on sociology and predatory thrift. It supplies to every impulse the electrifying juice,

For everyone writes baseball when the game is breaking loose.

The corrugated foreheads specializing in the deep,

Who have the weighty problems of the nation by the haunch,

Who can gallop up the mountains of the mind, however steep,

Pull a soupçon of the pastime when their theories they launch.

No loss of dignity they feel while putting it to use,

For everyone writes baseball when the game is breaking loose.

GUARANTY OF DEPOSITS

(Continued from page 18)

Such a law would keep the money made in any section of the state or country in the banks of that section, and this is assuredly to the best interests of the entire country and just to small banks. It would also leave the hoarders and hiders of a billion dollars no excuse for keeping this enormous sum of actual cash out of circulation and practically useless for business purposes.

Another objection raised to the guaranty law is, that it would take too much money out of circulation, or, if it were not taken out of circulation, that it would not be available when a large bank failed. I think it would be found otherwise, for, like the fellow who heard the bank was "shaky" and went for his money and to his surprise found that the bank had it, said he didn't want it. If the people know that their money is safe, they will not run to get it, as was the case in Oklahoma. Even when the funds are withdrawn from a failed bank—the withdrawal being made possible under the guaranty law—the majority would re-deposit with some other similarly protected bank.

During the panic of 1907, the clearing house banks of Chicago guaranteed the deposits of the Walsh banks, more to protect their own banks than to take care of Walsh, but, when they did this, they immediately selected a special bank inspector, whose duty it was to look closely into the affairs of every bank in Chicago and keep strict watch over them. As a result, Chicago went through the panic better than any large city of the country. What Chicago banks did, the government or the state can do.

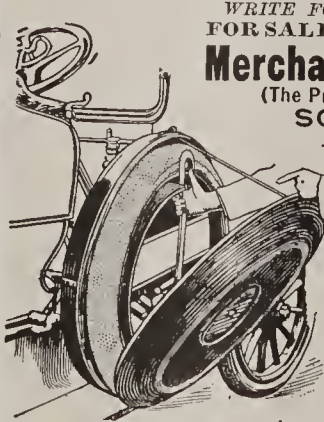
The idea that a proper guaranty law would encourage unsound, "wildcat" banking is not justified by the facts. My judgment is that it would promote sound banking. First, by making those in charge of the banks more careful in investigating those who sought charters, just as is now being done by Comptroller Murray, when a national bank charter is applied for. Second, by a more rigid oversight on the part of the "bankers paying the freight" through the department, and otherwise, in order that no unnecessary cost accrue. And third, by raising the standard, since none but a sound bank could get the benefit of such a law, and so soon as a bank becomes unsound, or was being improperly or recklessly managed, closing it to protect the well-managed banks.

For, every law that has been enacted or proposed in late years, providing for the guaranty of deposits, required closer inspection of banks, and stronger safeguards, such as forbidding banks to offer more than a safe rate of interest for deposits and all banks the same rate; not permitting a bank to accept deposits to an amount exceeding six to ten times its paid up capital; making it unlawful for banks to lend their funds to their own officials, etc.

A large Chicago delegation is touring Texas for the association of commerce.

SPECIFY ON YOUR NEW CAR
"STAR" TIRE & TOOL CASE
 (PATENTED)


 The "Star" Case fits any car. It is made of pressed steel. It carries spare shoes, inner tubes, small tools and spare parts. Opened, closed and locked in one minute. Nothing need be detached for removal of tires. It is thief, dust, fool and water-proof. Light in weight.
 Finish—Black Japan, or prime coat which can be painted by buyers to match car.
Price \$25 crated, f.o.b. factory
 WRITE FOR CATALOGUE No. 13
FOR SALE BY ENTIRE TRADE
Merchant & Evans Co.
 (The Premier Metal House in U. S.)
SOLE MFR'S
 Also of "Hele-Shaw" Clutch
 "Evans" Transmission
 M. & E. Grease Cups
 PHILADELPHIA
 Chicago New York
 Denver Brooklyn
 Kansas City Baltimore




ON A PACKARD CAR
 TRADE MARK ★ ON EVERY CASE

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

The Difference

in the "tone" and character of railroad service is just as great as it is in hotels, for instance. The superiority of either service is largely determined by attention to details. The observance of this rule is the secret of **Burlington** high-efficiency service.

Be a Burlington guest next time you go to **St. Paul or Minneapolis!** The advantages of the service are highly important—its completeness will surprise you.

"Minnesota Limited" . . .	Leaves Chicago	6:30 p. m.
	Arrives St. Paul	7:20 a. m.
	Arrives Minneapolis	8:05 a. m.
"Oriental Limited" . . .	Leaves Chicago	10:15 p. m.
	Arrives St. Paul	10:45 a. m.
	Arrives Minneapolis	11:40 a. m.
"Northern Pacific Express"	Leaves Chicago	9:15 a. m.
	Arrives St. Paul	10:15 p. m.
	Arrives Minneapolis	10:55 p. m.



The Electric-Lighted
"On Time" Road

Tickets and reservations at 211 Clark Street
Phone Randolph 3117

A. J. PUHL
General Agent, Passenger Department

6508

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

The Germania and Metropolitan National banks have united and will continue business at the Metropolitan Life Building. The enlarged Metropolitan National will be capitalized at \$300,000, and will start with \$1,500,000 deposits and \$60,000 surplus. The bank was formerly capitalized at \$200,000 and the Germania at \$100,000. Under the new regime V. H. Van Slyke will be president, as heretofore; O. E. Naegele, president of the Germania, will be vice-president; C. F. Wyant will continue as cashier and George Vollmer is transferred as assistant cashier from one bank to the other. The Germania's president acted also as cashier.

Eventually the Metropolitan National will erect a banking building. For the present, fifty feet will be added to the banking quarters which it now occupies. By the change the safety deposit vaults of the Metropolitan National are made accessible to the Germania depositors and the customers of the latter bank will find former officers in the new institution.

Bank Clerks Hold an Election

St. Paul bank clerks have had an election at the Merchants Hotel. Robert W. Lindeke of the National German American was elected president. E. O. Nordstrom of the Merchants National defeated E. J. Gifford of the Capital National for vice-president by four votes. Walter Honebrink of the First National received the gift of the treasurership for another term. He defeated N. Paul Delander of the Merchants National by seven votes. Owen Thomas and Lawrence Drew contended for the glory of being secretary and Thomas was one vote to the good. The election in this case was not contested and no recount was asked. S. R. Harris got a sentence of three years on the executive board, putting R. B. Tudor in the defeated list. Delegates chosen to the national meeting at Rochester, N. Y., are: M. Ernst, Merchants National Bank; F. M. Bloomquist, Merchants National Bank; George C. Power, Jr., Second National Bank;

H. C. Kronke, First National Bank; J. A. Holman, State Savings Bank, and George R. Miner, National German-American Bank.

Banker Sent to Prison

Sam A. Hall, a former banker and real estate broker of Butte and well known in Montana, recently found guilty of grand larceny for embezzling money given him to invest, has been sentenced to fourteen years in the penitentiary. This is the maximum punishment.

Rumored Bank Deal

Reports have come from various parts of the Northwest that Aaron Kuhn, chairman of the directorate of the Traders National Bank of Spokane, is forming a \$1,000,000 banking organization at Portland, Ore., though his associates say they know nothing about the plan. The reports say that Mr. Kuhn will organize the new bank under the supervision of the Rockefeller interests and that the Exchange and Traders National banks of Spokane will be consolidated in the building now occupied by the first named. These reports, no doubt, found their origin in the recent visit of Frank A. Vanderlip, who was met on the coast by Mr. Kuhn. Several years ago it was reported that the Rockefeller interests had acquired large blocks of stock in the Exchange and the Traders banks. There has been periodical talk of consolidation of the two institutions. When Charles Sweeney left the Exchange and Edwin T. Coman stepped in, it was understood that the latter went in as a representative of the Rockefellers.

General Notes

Shortly after May 1st the second postal savings department in Minnesota is to be opened at St. Cloud. The First National and Security State banks have been designated depositories. E. C. Blanchard of the First National, Hood River, Ore., in the Twin Cities on the way East says banking conditions are healthy in the Portland district. While it is early to talk of

crops he says the apple trees are in full blossom and prospects are bright for the strawberry yield, ripe in May and June. This product comes to the Twin City market.

Ellis D. Robb of Eldora, Iowa, has been appointed national bank examiner for more than one hundred national banks in Northern Iowa. He is one of the best known men in his part of the state, having grown up in the banking business.

BANKS AID BUILDING PROJECT

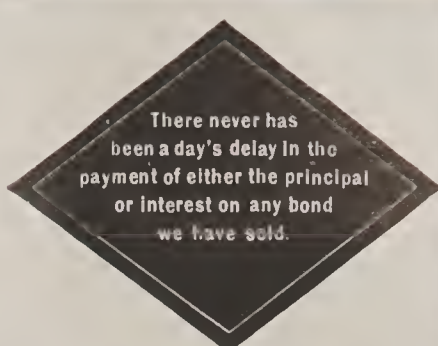
Banks of Cleveland have practically agreed to take the \$2,500,000 of 5 per cent bonds which will be issued by the company erecting the new traction terminal building and hotel on the square to occupy the site of the Forest City House and the old Higbee building. The banks of Cleveland have always been known for their patriotism, have always been credited with the desire to aid any worthy Cleveland enterprise when they can do so, and act conservatively, and it is a matter of congratulation that Cleveland is able to finance this big undertaking without the aid of outside money. The new bond will be a splendid one and the negotiation of this loan assures the construction of this magnificent building.

COLORADO BANKER IN TOWN

C. A. Bradley, cashier of Longmont National Bank, Longmont, Col., was a Chicago visitor the fore part of the week. Longmont is one of the most interesting sections of Colorado and business conditions are good there.

IOWA BANKER A VISITOR

Cashier J. B. Stair, of Farmers National Bank, Red Oak, Ia., was a visitor at National City Bank, Chicago, Tuesday. Mr. Stair reported general activity in agricultural affairs, with a consequent improvement in other lines of business.

	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS First National Bank Bldg., Phone Central 6400	
PITTSBURGH	CHICAGO	PHILADELPHIA

JOHN E. GARDIN'S ADDRESS

(Continued from page 6)

the United States, 129 per cent. This, however, need not be alarming nor will the Bank's power for usefulness be lessened thereby when it is borne in mind that the great joint stock banks have been fully alive to the situation and that, instead of keeping their entire reserves in the Bank of England as formerly, they have accumulated gold reserves of their own and have thereby placed themselves relatively in an independent position. This comparatively unimportant increase in its gold reserves is not a discredit to the Bank. The London money market has been subject to the demands of practically every responsible merchant, wherever located. A draft drawn on a London banker can be negotiated in any part of the world at its actual value, inasmuch as a quotation for a 90 days' sight bill on London, be it in South America, the Straits Settlements, Australia, New York or the Fiji Islands, can be had at a moment's notice, and its true counter value determined in the money of the country where the transaction originates.

I have spoken of the power of the English banker over the regulation of the money markets which is conducted along purely scientific lines. When money is scarce, the London banker attracts it by offering a higher return, and when there is a plethora, he repels it by offering a lower rate of interest. This is the sound and really scientific method of banking, and any system which does not recognize and cannot employ the principle is weak and ineffectual. It is customary in the United States to pay on a certain class of deposits a straight 2 per cent interest, regardless whether money is worth 1 per cent or whether it is worth 6 per cent. The result is that when money is high it goes away from the banks and seeks other methods of employment, sometimes with disastrous and always with unsatisfactory results. The course of money in Europe is regulated absolutely by the rates of interest. Thus, if there is a dearth in Paris, rates are raised and immediately the rates of exchange on London, and, perhaps elsewhere, fall to a point requiring the shipment of actual gold in settlement of balances between the respective countries. This at once relieves the tension at Paris and the end is accomplished.

Another important feature and one which has produced progressive development in the Banking System of England, particularly, is the absence of legislative interference. Other than in fundamental enactments, the banks are not hampered by legal restrictions as to the manner in which they may conduct their business. The result has been the attainment in the fullest measure of the objects most desirable in a nation's banking institutions.

The Bank of France is in reality a bank for the people. It caters to the small merchant and to the tradespeople. It is required by law to make loans to approved borrowers in sums as low as \$10.00. In fact, it exercises a paternal tutelage over the French commercial world. It owes its origin to the notorious John Law, the arch visionary promoter and speculator of the

eighteenth century. The Mississippi Company, the most outrageous fraud ever perpetrated, was the progenitor of the Bank of France, which is now certainly one of the most carefully managed and most conservative banking institutions in the world. In many ways, if not in all, it is the world's greatest bank. It is to this great bank that even the Bank of England comes as a borrower. Its capital is only \$36,000,000, but it has the monopoly of note issue, amounting at the present time to a maximum of \$1,160,000,000. These notes, strange to say, are not legal tender and are redeemable either in gold or silver, and this fact has in the past enabled the Bank of France to build up and maintain its gold holdings which to-day are the largest of any single institution in the world. The Bank's metallic reserve, gold and silver, is nearly 80 per cent of its outstanding circulation and this enormous reserve gives the Bank an absolute control over the French discount market, besides placing it in such a strong position that a crisis in financial matters is practically out of the question; even a serious disturbance is nearly impossible. The chief function of the bank is that of a rediscounting institution and the most eminent of French economists has succinctly declared that in times of crisis the role of the Bank of France was to liquidate all other banks.

The Imperial Bank of Germany is the latest evolution of scientific bank organization and, in conjunction with the quasi-private banks, has done wonders for the Fatherland. Forty years ago Germany was preponderantly an agricultural country; now it is the second greatest manufacturing country in Europe. Its commerce and manufactures are fostered by the Bank.

In the foregoing remarks, I have of necessity merely sketched the outlines of the groundwork upon which the European Bank system is built. An analysis of the system itself in detail and the effects of its work would fill volumes. Suffice it to say that the development of Europe during the last half century is entirely due to the scientific principles underlying this groundwork and it is to be hoped that the arduous labors of the National Monetary Commission will not be in vain and that some day in the not too distant future, we will be able to point to our own system with pride as being one that is serving the interests of the country in fullest measure.

In order to attain this result, though, the Monetary Commission will need the cordial support and co-operation of every banker and business man in the United States. I think we are all agreed that it is no longer feasible to work under the old order of things. We are continuously preparing for crises that are bound to come within stated periods, only to find when it comes to the test, that we have adopted the wrong measures for protection. This is bound to be the result when the foundation of our fabric is built upon wrong principles or rather upon no principles at all.

However, the corner stone of a new order of things has been set and upon it there has been indelibly engraved the name of our Honorable

Secretary of the Treasury Franklin MacVeagh. Through his initiative, legislation has been enacted that marks the dawn of a new era. I refer not only to the law recently passed by congress authorizing the United States Treasury to hold foreign gold coins as reserve against note issues, but also to the law whereunder the government now accepts certified checks instead of legal tender notes, and to the economies effected by him in his great department and the inauguration of the same sound business methods which characterized his efficiency as a great merchant. These laws are most important and practical measures in banking reform. The first named is in accordance with the practice of the European banks of issue and will effect the saving of vast sums of money to the country; but more important than the material issue is the circumstances that it marks time in the enlightened march of progress in matters financial. We also owe a debt of gratitude to our worthy congressman, E. B. Vreeland, whose mind has been on the subject of currency reform years before the Monetary Commission was created. While the proposed measure is honored with the name of the chairman of the commission, the commission itself is certainly honored in being able to count this worthy gentleman as one of its most important members. Mr. Vreeland's untiring labors, and his mastery of the subject, afford sufficient assurance of the successful outcome of this first serious attempt at sound and comprehensive reform. It is indeed a great honor to have these gentlemen with us on this occasion. They command the deepest respect and admiration of the banking community for their achievements and public spirit.

The foreign commerce of the United States during the year 1910, both ways, amounted to \$3,427,218,892. These figures represent actual trade transactions and the importance of the movement is not properly understood by American bankers. Very few of the 23,000 banks in the United States have any direct foreign relations whatever, and the result is that dealings in the debits and credits of this enormous annual turnover is a sealed book to most of them. An astonishing and instructive fact in connection with financing this business is that it is all done on paper and only an occasional balance must be settled in actual money, not money as commonly understood, but in the only money recognized in international transactions, that is, in gold.

The foreigner purchases our staples but his banker does not make him a loan to pay for them in the sense that we understand it. He merely permits him to use his good name through the medium of acceptances for a period of 60 or 90 days. In the interim the merchandise is disposed of and the proceeds utilized to provide protection for the banker's acceptance, which, meanwhile, may have passed from hand to hand, or have been used as a remittance to cover a debt, or sold to meet an investment demand, or pledged against an issue of banknotes on the part of some European banking institution. Contrast the beneficent advantages of such a system with the rigid one

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

in use in the United States. The European banker is thus enabled to capitalize to a certain extent the good will inherent to his institution and by this method has built up a system to the like of which all nations, the United States not excepted, must turn in cases of necessity. Never was this more strongly emphasized than during the panic of 1907, when, through the medium of these bankers' acceptances we were able to import millions of gold and thus relieve a condition of panic which threatened ruin.

The South alone contributed last year \$557,000,000 to the cash resources of the country through its cotton shipments to Europe and, had the American bankers been called upon, as at one time seemed probable, to finance the whole of this important movement themselves at a time when the country, east, west, north and south, was engaged in handling one of the most bountiful crops that has ever been given us, we should have been hard pressed indeed. I think we could have done it, but it would have been a heavy strain and would have taxed the ingenuity of bankers and the resources of their institutions to the utmost.

To a large extent we have been obliged to rely upon our European friends in financing our cotton crop, which is now practically the only raw material that we are exporting in large quantities. Our position as the world's food producer has been nearly lost owing to the fact that our population has increased to such an extent that what we produce is all needed here at home, and it is within reason to expect that as the proportion of urban population increases, we shall have to import some of our requirements in this respect.

The cotton manufacturing industry of the North is rapidly increasing and the South is keeping apace with this movement. Within the last ten years, the consumption of cotton in the United States has increased 46 per cent, and if this ratio is maintained, Europe will have to rely eventually upon Asia and Africa for its supply of the staple and such a condition will place the United States in a most favorable position, but we must have better banking facilities to meet these new conditions. The cotton goods now supplied to the world in the quality produced by American cotton can only be obtained from us and we will be exporting our manufactured goods instead of furnishing the material to other nations for manufacture.

What will be of more interest to you at the present time is the relation of the American banker to the European banker in the valuable assistance which the latter furnishes this country in financing our crop. These relations within the last year or so have received rather a severe jolt by reason of the frauds perpetrated in connection with bills of lading. However, the American Bankers Association has taken up the matter, and, as a satisfactory settlement with the European interests seems probable, the feeling of distrust towards the American shipper is now gradually being dissipated. It is to be hoped that the measures finally effected will give complete assurance not alone to the spinner abroad but to his banker, and also to the exchange buyers on this side who are handling the cotton until it is paid for. The European banker who is so valuable an ally is certainly entitled to fair consideration; and, in accepting documents which purport to represent actual merchandise that his client is purchasing in good faith, should have every reasonable assurance that what he is paying for will ultimately be delivered.

When purchasing cotton in American markets, the European spinner first of all must provide for himself credit accommodation at his local banker's; given such, he is then able to make his purchases. However, the accommodation must be of such a nature that the American agent or firm selling the cotton, is placed in position immediately to finance his sales and thus be able to repeat the transaction.

This is done by means of 60 or 90 day sight drafts, drawn under the credits already arranged, on the European banker whose name is given. Attached to these drafts are the documents evidencing the shipments of cotton either in the form of port bills of lading or in the form of through export railway bills of lading. As a general rule, the latter form of document is employed as it would cause too much delay and consequent cost to await the arrival of the goods at port of embarkation in order to obtain the ship's bills of lading. An additional document is the insurance certificate which protects the shipment from the time it is loaded on the steamer and for some time after the vessel has arrived on the other side. Quite frequently, however, cotton is sold on this side of the water on the condition that the buyers shall provide the insurance. This is due to several reasons. It may be either that the buyer is interested in some insurance company on the other side or he is able to place the insurance at a better rate. However, this is an unsafe practice and should be discountenanced.

It is always better and safer to have the goods insured in reliable companies on this side of the water.

Pacific Northwest

Spokane, April 18.—A \$500,000 school bond issue was sold in Spokane to the N. W. Halsey Company of Chicago on April 10th for a premium of \$8,000, or \$1,250 more than the nearest competitor. The bonds run for 20 years and draw 4½ per cent interest, payable semi-annually. The Union Trust and Savings Bank of Spokane represented the successful bidders. Other bids were: E. H. Rollins and Company, Boston, premium \$6,750; Exchange National Bank, Spokane, premium, \$100; Harris Trust and Savings Bank, Chicago, premium, \$2,158; W. R. Compton Bond and Mortgage Company, St. Louis, premium, \$1,923; M. and J. D. Finley, premium, \$103. The city received a premium of \$23,000 on an issue of \$400,000 two years ago. However, Z. Stewart, treasurer of Spokane county and member of the school board, says the premium on the new issue is higher than paid anywhere in the Northwest this year.

Bankers are Indicted

"True bills" were returned by the federal grand jury of the eastern Washington district, sitting in Spokane, on April 8th, against six officials of the Idaho Hardwood Company on charges of using the United States mails to defraud. Those indicted are: Ex-Governor A. B. Moss, president of the First National Bank of Payette, Idaho; D. W. Stanred, president of the First National Bank of Pocatello, Idaho; I. B. Perrinne, hotel owner and landholder of Twin Falls, Idaho; Paul S. A. Bickel of Jerome, Idaho; James A. Murray, banker and capitalist of Butte, and Donnell Davenport of Spokane. Bail was fixed at \$2,500. The cases will be tried at Boise, Idaho, next September, the defendants having secured changes of venue. It is alleged they sold \$132,000 worth of stock on eucalyptus timber land in California, where only a small portion of a large acreage was planted, also that they claimed connection with the American Hardwood Association.

Woman Treasurer Reports

Kathryn O'Rourke, treasurer of Shoshone county, Idaho, says in her quarterly report that the county's deposits amount to more than \$69,000. The receipts totaled \$47,856 and the disbursements \$244,412. The largest single item of the receipts is the contribution of the national forest reserve, \$10,826. The county's deposits are in seven banks, as follows: First National Bank of Wallace, \$13,311.11; State Bank of Commerce, \$20,484.64; Wallace National Bank, \$10,706.04; First National Bank of Kellogg, \$5,593.16; First State Bank of Kellogg, \$8,990.30; First National Bank of Mullan, \$4,021.14; Weber Bank of Wardner, \$3,554.56.

Show Prosperity

Big Bend country banks are prosperous, according to reports of deposits, as follows: Banks of Davenport, \$719,587.17; Wilbur, \$446,802.72; Waterville, \$350,236.54; Sprague, \$275,081.51; Reardan, \$232,669.32; Odessa, \$230,172.10; Harrington, \$174,742.23; Almira, \$137,830.17; Coulee City, \$110,955.14; Hartline, \$87,521.83; Quincy, \$77,010.03; Creston, \$66,401.05; Mansfield, \$63,013.50; Edwall, \$57,499.81; Krupp, \$51,641.17; Govan, \$12,530.00.

False Reports Alleged

F. L. Coleman and A. L. Groff, of Boise, Idaho, were arrested a few days ago, charged



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

—OFFICERS—

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier



How Time Flies

1911 will soon be gone. Have you bought your

"National" Calendars For 1912?

☞ The permanent nature, in addition to the novel features and general attractiveness of our line, makes it especially effective as an advertising medium.

☞ They are hand colored, of a distinctive quality, and will save you 30 per cent.

Get Catalog W. It's Free

NATIONAL COLORTYPE CO.
Cincinnati - Ohio

FANS AND
POST CARDS
TOO



To **Omaha Lincoln**

and Intermediate Points Every Day in the Year From

La Salle Station 6:00 P. M.

(On the Loop)

Englewood Union Station 6:15 P. M.

(Convenient to South Side Residence District)

Drawing-room and observation sleepers, free reclining chair cars and coaches, dining car service.

Electric Lighted

Iowa Limited for Des Moines at 10:00 p. m., and other fast trains at convenient hours.

For tickets, reservations, information, phone, write or call.

City Ticket Office
Cor. Adams and Dearborn Sts.
Phone Central 4446

L. H. McCORMICK
General Agent Pass. Dept.

Rock Island

with falsifying reports to the state bank examiner, also falsifying bank books. They were placed under \$10,000 bonds. Coleman, who is chief clerk in the office of State Treasurer Allen, was formerly cashier of the Idaho State Bank at Hailey, Idaho, where Groff was a bookkeeper.

Banking Miscellany

Robert Fairley, commissioner of finance, has advised the banks of Spokane that any financial institution receiving city deposits must protect the city's payroll warrants by cashing them at par. The equalizing of the city's deposits was decided as follows: The interest will be 2 per cent, figured on the average daily cash balance. The state law provides that the city must receive not less than 1½ per cent. The amount on hand is between \$600,000 and \$650,000.

F. A. Duncan, for nine years the cashier of the Creston State Bank at Creston, Wash., has resigned. His brother, G. L. Duncan, has been elected to fill the vacancy, and F. W. Moe was promoted to assistant cashier. Mr. Duncan has become cashier of the Lewiston National Bank at Lewiston, Idaho.

BUILDING 170 CANADIAN TOWNS

Winnipeg.—The Canadian Pacific will start 50 new towns in western Canada this year. The Grand Trunk Pacific will launch 24 and the Canadian Northern 96, making a total of 170 towns to be built this year.

\$25,000 FOR BOOSTING TACOMA

Involving the printing and world wide distribution of 285,000 pieces of literature exploiting Tacoma, the board of trustees of the Tacoma Commercial Club entered into the largest

single contract for community exploitation in the history of that work by the Harriman railroads.

The contract was signed by President D. I. Cornell and Secretary O. F. Cosper for the Commercial Club and by William Bittle Wells of Portland, manager of community publicity for the Oregon-Washington Railroad & Navigation Company, for the Harriman system, and involves the expenditure this year of over \$25,000 in advertising Tacoma to the world.

GROSS TOURS EUROPE AND THE WORLD

**MAY 10th, AUTOMOBILE TOUR OF EUROPE
99 DAYS, \$1006.00**

Including every item of expense, except tips to steamship stewards. Azores, Madeira, Gibraltar, Algiers, Italy, Switzerland, Germany, Holland, Belgium, France and British Isles. Party is limited, make your reservations now.

**VACATION TOURS OF EUROPE, JULY 3rd and 15th
59 DAYS \$619.15. 47 DAYS \$527.65**

Rate includes every item of expense except tips to steamship stewards. Two weeks motor tour through the most interesting part of Europe is a feature of these tours.

**ROUND THE WORLD, 160 DAYS, OCTOBER 4th
FROM SAN FRANCISCO, \$2300.00**

Honolulu, Japan, Korea, China, Philippines, Straits Settlements, Rangoon, India, Egypt, Turkey, and Greece at the best seasons of the year. Write for booklet at once.

Space is limited on each tour. Make your reservations now
30 years experience

GROSS TOURS, Inc.
302 Ellicott Square BUFFALO, N. Y.

Seattle

All government checks drawn on Seattle are hereafter to be collected free by Seattle banks. The Seattle Clearing House Association has amended the rules governing the collection of checks so that hereafter all checks and drafts drawn on Seattle by government disbursing officers, military or other officials, will be exempt from the usual fee.

Heretofore Seattle banks, which are members of the Clearing House Association, have charged collection fees on all items, including government checks. In some localities in the Northwest, where there were no charges, such cities have been able to secure business that otherwise would have come to Seattle. In order that Seattle may no longer be discriminated against in this respect, the members of the clearing house have voted to exempt government checks from collection fees.

One of the largest real estate loans made in Seattle in some time has just been closed up. The New York Life Insurance Company loaned \$85,000 at 6 per cent, on a corner in the business section of the city. The New York Life now has real estate loans in Seattle aggregating close to \$2,500,000.

Central Bank of Toppenish, Wash., has moved to its new three-story structure, erected at a cost of \$35,000. H. M. Gilbert is president of the bank and one of its heaviest stockholders, E. O. Keck is vice-president and L. A. Nichols is cashier, with E. P. Hinman as assistant cashier.

A. W. Bowen has been elected cashier of the First National Bank at Sandpoint, Idaho. G. W. France was elected assistant cashier.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00

Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FEROLAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

KEPT HALF MILLION SECRETED

Bonds and mortgages representing \$550,000, were found secreted about the home of William H. Badeau, a bachelor who died at Fishkill, N. Y., after a life of marked frugality.

WASHINGTON BANKS MERGE

The National City Bank of Washington, with a capital of \$300,000, and the Commercial National Bank, with a capital of \$550,000, have been merged. The total deposits of these two banks amount to \$5,000,000.

Des Moines, April 19.—After all, bankers have little cause to complain at the thirty-fourth session of the Iowa legislature which adjourned at midnight, April 12th. The only measure to which bankers generally take exception is that assessing bank stock at 80 per cent of its value at the usual rate in the county in which the institution is located. But to offset that, the legislature repealed the iniquitous tax ferret law and enacted a law which taxes moneys and credits at a 5 mill flat rate instead of under the old scheme which was instrumental in driving capital out of the state.

A temporary tax commission was decided upon to report to the next legislature upon needed revision of the Iowa statutes. This may enable the bankers to get a more equitable basis for taxation than that proposed under the new law.

The bill to provide an additional bank examiner got past one house but lost in the other in the final wind up. Another bill that was killed was that permitting Iowa state and savings banks to invest in real estate outside of Iowa. A bill providing for uniform bills of lading in which bankers were interested became a law. It provides that all bills of lading shall contain the date, name of consignee, place where the goods are received, destination of the goods, signature of the carrier and a description of the goods. The measure also outlines the general provisions of bills of lading. Officials of trust companies are disappointed that the measure permitting them to act in a fiduciary capacity lost in the shuffle. Just what happened to this bill is not known but it appears to have fallen by the wayside in one of the sifting committees.

Wells Succeeds Watt

Jesse O. Wells, one of the vice-presidents of German Savings, Des Moines, has been elected president of the institution to succeed the late James Watt. No one was elected to succeed Mr. Wells and J. C. O'Donnell will continue as the only vice-president. C. Huttenlocher was chosen on the directory to succeed Mr. Watt. The directors adopted suitable resolutions on the death of Mr. Watt.

The will of the late Mr. Watt when filed in probate court, disclosed a bequest of \$20,000 to the Iowa Humane Society and the Home for the Aged. Each will receive \$10,000 upon the death of Mrs. Watt, who will hold the funds in trust.

Banker Hurt in Accident

George F. Walker, vice-president of the Iowa Loan and Trust Company of Des Moines was thrown from a buggy in a runaway near Colfax and seriously injured. At Mercy hospital, where he was taken, it is reported at this writing that Walker is improving. The man was badly bruised about the face and it was feared there were internal injuries. Mr. Walker is 72 years of age and on that account there have been some fears expressed as to his complete recovery.

Dayton Bank Robbery

Bank robbers have been rather infrequent in Iowa of late. Consequently news of a robbery of the First National at Dayton came as a shock. The Dayton robbery was a harmless sort of an affair as the robbers got only \$350 in silver. The explosive failed to secure an entrance into the inner vault in which Cashier C. D. Waterbury had placed a goodly amount

of money. Later, farmers found a kit of burglar's tools and \$300 in silver in a hay loft near Fort Dodge. Cashier Waterbury put up a reward of \$100 each for the men but at this time no one has claimed the reward. It is thought that the job was that of Tom Hatch and Peter Johl, two escaped convicts from the Stillwater penitentiary who are believed by the Des Moines police to have led the attempt to dynamite and rob the Polk County Treasury of \$100,000 a fortnight ago.

Test of Taxing Power

The courts at Waterloo have an interesting case involving the constitutionality of the law taxing the stock of national banks and not those of state and other banks. The Commercial National of that city started the suit, an action to enjoin County Treasurer Bentley from collecting the tax. Later the Leavitt and Johnson National started a similar suit asking an injunction against the levying or assessing of such a tax or its attempted collection. The bill also asks an injunction against the sale of any of the bank's property or its individual stockholders for the purpose of satisfying such tax.

Evidence of Prosperity

Just as an evidence of prosperity the banks of Davenport are declaring semiannual dividends. The Union Savings on April 1st declared a quarterly dividend of 2½ per cent and added \$5,000 to its surplus making the latter \$100,000. The Scott County Savings declared a semiannual dividend of 7 per cent, the Iowa National and Farmers and Mechanics Savings declared semiannual dividends of 4 per cent and the German Savings voted a quarterly dividend of 4 per cent.

Private Alarm Goes Wrong

Rufus Chase, assistant of the Iowa National, Des Moines, was aroused one night last week by the private bank alarm. One of the wires had gone bad and the Western Union summoned Mr. Chase who thought the wire had been cut by burglars. He rushed excitedly to the scene but found that only a battery had run out.

Remarkable Tribute

A remarkable tribute was paid to Adam Emig, janitor of the First National at Spencer, who died recently. Business was suspended throughout the city and the business men attended his funeral. While occupying a lowly station in life, Emig had made thousands of friends. He lived in Spencer since 1882.

Hall Captures D. Carson

D. Carson, alias "Kip" Carson, who rambled about Des Moines scattering bad checks here and there has been arrested in St. Louis and is now in Des Moines awaiting trial for forgery. Carson was arrested some weeks ago but feigned illness and was taken to a local hospital. Here he recovered so rapidly that he managed to escape within a few hours. Secretary P. W. Hall of the Iowa Bankers Association was instrumental in effecting his capture.

Will Hear Dawes

The bankers of Group Six who will meet in Des Moines, May 5th, are expecting a treat. They have secured Charles G. Dawes, formerly comptroller of the currency to make the

A BANK
*appears as sound and impressive
 as an illustration of it will indicate*
*We specialize in Wash Drawings of
 Bank Buildings*



Artists THE SUPERIOR HOUSE
MILWAUKEE WISCONSIN *Engravers*

The First National Bank OF FLORENCE, S. C.

Capital - \$150,000.00

We solicit your business on the strength of the following growth:

Established October, 1908
 Deposits March 7, 1909, \$37,636.63
 Deposits March 7, 1910, \$190,536.68
 Deposits March 7, 1911, \$286,784.92

Resources The First National Bank	-	-	\$520,398.81
Resources Our Savings Department, The Peoples Sav. Bank & Trust Co.	-	-	81,359.09
Our Total Resources	-	-	\$601,757.90

OFFICERS

J. W. McCOWN, President	JULIEN C. ROGERS, Cashier
S. H. SAUNDERS, Vice-President	B. W. COVINGTON, Asst. Cashier
B. G. GREGG, Vice-President	

Send Us Your Florence Collections.

Correspondence Solicited

main address of the evening. It is probable that the meeting will be held at the Savery. There will be a banquet at 6 o'clock. Then will come the speech by Mr. Dawes, election of officers and other business. It is improbable that there will be a day session. Incidentally, Secretary Hall of the Iowa Bankers Association has been notified that the meeting of Group Two at Webster City has been changed from May 19th to May 25th.

Iowa Miscellany

The State Savings at Clarksville has increased its capital stock from \$15,000 to \$25,000. The Iowa Savings at Oelwein has increased its capital from \$30,000 to \$60,000.

The County Savings Bank of Algona and the National Bank of Atlantic have secured a Des Moines firm of architects to draw plans for new buildings.

T. T. Price of Mason City, hearing that his son, T. A. Price, had been arrested at Omaha for forging checks, hastened to that city and made good all of the boy's speculations.

Worrall Dow and Earl Brownlie have resigned as clerks in the First National at Davenport and will embark in the poultry business. They have bought a 60 acre farm and will get back to nature.

The Farmer and Helsell Bank at Greenville, recently destroyed by fire, will be rebuilt at once.

The charter of the Commercial National of Fort Dodge has been extended to April 6, 1931.

The Tripoli State is planning a new bank this summer.

J. C. Jackson, president of the Citizens Savings of Iowa Falls, has undergone an operation at Rochester, Minn., and will recover.

Among out of the city bankers in Des Moines last week were Cashier B. Saunders of the Citizens, Carlisle; Vice-President, H. J. Holmes, Perry Savings and Exchange; President P. G. Rudesel, Rudesel and Company Bank, Oto; Cashier C. J. Irish, State Bank at Kellogg; President E. B. Soper, First National of Emmetsburg; President S. M. Leach, Adel State; Cashier D. L. Clark, Clark's Bank of Newton; Cashier J. P. Cooper, Iowa Savings, Marshalltown; Cashier J. F. Herman, Securities Savings, Boone; Cashier C. G. Wiemer, First National, Radcliffe; President H. S. Johnson and Cashier George Arnold, Massena Savings.

HARVEY ON BANK CONDITIONS

(Continued from page 5)

What is needed at this juncture is the pulling together of our citizenship, the working not only for ourselves, but for our neighbors. Let the people along the coast rejoice in the manufacturing development of the Piedmont and Pedee, let the mills which dot our up country be a source of pride to our tide water people and let the man from the interior rejoice in the possession of the blue waters which wash the shores of Beaufort, Charleston and Georgetown. Let each work together for the upbuilding of South Carolina.

The fact that the chamber of commerce of Charleston with its high salaried official makes public announcement that he is employed to work for the state as well as for Charleston is being matched by efforts on the part of inland sections in furthering the railroad connections and rates in the interest of the Charleston people. When such a spirit animates all of our people, when each and every one lays aside personal or hereditary prejudices and with heart and soul going hand in hand for making our state, our capital, our metropolis, our smaller towns, our seaports, the very best state, the very best capital, the very best metropolis, the very best small towns and the very best seaports to be found on the North American map, when I say this spirit dominates our people, then will come a return of the prestige which this state enjoyed in the long ago.

We can never be a great state however, until we become a great people and we cannot be a great people if we are stiff-necked and narrow-minded, or perhaps a better way to phrase it is to say, if we are intolerant of the views and actions of others.

The cycle of years works revolutions, revolutions in methods, in policies, and in ideas. What was good for our state and her people a century ago or a decade ago may not be best to-day under changed and changing conditions, and what was most undesirable then may be most devoutly to be wished at this time. Are we willing to accept new methods, new policies? That is the question. Are we intolerant in our views? That is the question. Who is man enough to proclaim his independent thoughts? Woe be to the man who dares assail the customs of past generations. We theoretically clamor for the man of independent thought, independent speech, independent action, but do we give him our

moral support, or do we with bated breath commend him in private and publicly proceed to crucify him? Do we welcome discussion on the part of those holding contrary opinion and manfully endorse such views if we concur in them? If we do not concur in such views do we accord to the holder of such views, the right to such opinions, or do we proceed to attribute the holdings of such views to base purposes and to selfish ends?

A difference of opinion is not always a difference of principle and the right to differ is the first great essential to a great people. With that right taken away the "freedom" so much vaunted is a mere bauble and merely a name. Are we, as a people, intolerant in our views? Let those who have essayed an independent spirit, answer; let those who, persuaded of the justice of their cause, have essayed to run counter to a long established prejudice, answer.

Happily the development of our state and the infusion of new ideas is bringing about a spirit of broad minded liberality which is making itself manifest in every section and corner of South Carolina. Our people are doing their own thinking, they are formulating their own ideas, they are accepting no set dogmas to be lived up to blindly or to be forever ostracized.

In this broadening of our mental vision the bankers of this state, the members of the association, have had much to do. As leaders in their several communities, as men of affairs, as public spirited and patriotic citizens endowed with large responsibilities and enjoying the confidence and respect to a marked degree of their fellow citizens, they have paved the way to a more liberal and progressive spirit among our people. In standing for independence in thought and action, for the breaking away of hide bound customs, for a spirit of tolerance and for a policy of hearing the other side before reaching a conclusion, the bankers of South Carolina have done a service to their fellow citizens which is bearing a good harvest.

It is this as much as the richness of our soil, the hum of our machinery, the deep waters in our harbors, the energy of our people, which is making the outside world center its eyes on South Carolina as it "looks to the South" and which makes our people,

"Join me in my song of praise,
 And say to all the world,
 That since the world began
 No fairer land has fired a poet's lays,
 Or given a home to man."

Uniform Banking Regulations

William Ingle of the Merchants National, Baltimore, before the South Carolina bankers at Summerville, April 19th

When the people of the thirteen original states agreed that for their mutual protection against aggression, real or fancied, it was desirable to establish a central government in the control of which each should have a voice, it could hardly have been thought that after the lapse of little more than a century the knowledge and application of science to practical every-day affairs should have so rapidly developed as almost to annihilate distance. One hundred years ago thirty days were required to communicate between Georgia and Massachusetts; to-day only as many far more comfortable hours must be so employed, while the electric spark makes a common country of its most widely separated parts. Under older conditions it was both natural and proper that each state in legislating for its particular population more or less homogeneous within its own boundaries and in order to best meet its own economic and social necessities should have had relatively small regard for legal preferences and business practice in a commonwealth distant from two to twenty days in travel. While the fundamental rules of both law and business must always be true no matter when or where applied, difference in environment and many other causes are responsible for an enormous mass of statute and judicial law, greatly differing throughout the country even between states closely related geographically. When our states were sparsely inhabited and when communication between them was slow and difficult, variableness in law and practice was of comparatively small consequence, but with time and distance negligible quantities and with a large population owning many interests in common, legal, business and moral, the desirability of ordering and controlling many of the larger questions by regulations which shall be country wide in their application when referring to the same subject and as uniformly interpreted must be apparent.

With the idea of gradually bringing some order out of very mixed situations, a body in which is equally represented practically every state and which goes by the name of the commissioners of uniform state laws was formed some years ago and has to show as the result of its work the negotiable instruments act, which in all of its essential particulars is now the law in 38 states, and the sales act dealing with a subject of the greatest importance to merchants and to banks from which they obtain their credits.

Second only in importance to the negotiable instruments act from the view point of those loaning money upon the pledge of merchandise or securities are the three measures known as the warehouse law, bill of lading law, and the law of stock transfer. Upon the passage by all of the states of the five general laws mentioned, a great advance will have been made, but there yet remain many unsolved problems, the simplifying of which would make for the safety and comfort of almost all business people, excepting possibly the lawyers, who are in their profession benefited more by diversity than uniformity in the law. Certainly one subject which could profitably engage the attention of thoughtful people might be that of uniform bank regulation. Many people may feel that one connected with a national bank could hardly be competent to fairly discuss such a subject by reason of limitations set upon his conduct if not opinions by the revised statutes

of the United States, and such an one should therefore endeavor to avoid overstatement.

While the national banking law is, or should be, uniformly enforced throughout the country, few thoughtful people now look upon it as a whole otherwise than as a piece of worn out machinery, which by reason of changed and changing conditions has long outlived its usefulness. At the same time it should be remembered that the law recognizes the two fundamental principles upon which sound banking must ever be based, namely the maintenance of cash reserves and a limitation upon loans in any single direction and it is probable that a desire to be released from allegiance to these features of the law and thus permit greater if not safer competition, has been responsible for the presence with us of laws more or less at conflict with each other in our several states. As a result the national banks as a class and the statutes uniformly controlling them are at times greatly misjudged. The national bank act was a war measure enacted to tempt investment in United States bonds at a time when it was by no means certain that their purchasers, largely the banks incorporated under the act, would eventually reap any profit from the risk they were undertaking. The result of the war and the subsequent development of the resources of the country made of a 6 per cent bond bought at a discount a rather attractive proposition from the view point of its owner, altogether aside from the circulation privilege attaching to the bonds when owned by banks, and many institutions for years practically lived off of their capital, bond and circulation accounts; deposits in relation to capital having been very small indeed in comparison with present day ratios.

All of this was forty years ago, since which time profits to national banks on circulation have been gradually decreasing until at the moment, and for some time past, such profits in practice will not be found to equal the profit in theory as figured by brokers, whose principal and most natural interest is to earn a commission on sales and purchases. As a matter of fact so little profit now attaches to circulation and its collateral ownership of United States 2 per cent bonds bought at par or over and worth as an investment probably about 80, that very many banks would gladly sell most of their bonds if the transaction could be made without realizing an immediate loss; and that too in the face of the fact that the congress has further added to their fictitious value in requiring that banks entering a national currency association shall hold in United States bonds an amount equal to 40 per cent of their respective capital liabilities.

It possibly is not too much to say that notwithstanding the presence of conflicting state laws, many of which, and it might be added their practical absence in some cases, promise greater profit than do the provisions of the national act, a strong reason is found for the continued life and multiplication of national banks in the thought that uniformity of treatment of such a large subject as banking even under imperfect law is better in furnishing a larger degree of protection to the public and consequently to the banks, than could be given by the varying laws of the several states. It is only fair to say that without amendment the present national law would not permit many banks to properly minister to the wants of rural communities where land and crops, or

liens upon them, furnish the safest if otherwise not altogether satisfactory security. Many think that national banks in such situations could, with propriety, be permitted to invest a certain share of their funds in such relatively fixed directions, but such permission should not relieve any bank from its obligation to maintain a proper reserve but rather make more imperative its duty in such respect.

Again such a privilege would furnish a stronger argument for the rigid enforcement of the law disallowing excessive loans, as assuming the presence of a generous percentage of non-liquid assets, the more important would it be that the balance of a loan line should be readily convertible into cash.

Excepting in instances where gross fraud is in evidence more bank failures are caused by excess loans in single or allied directions than possibly from all other causes combined. A law permitting the hazard in any single direction of an amount equaling one-tenth of the capital and surplus fund proper of any bank is surely most liberal, and it should be no excuse for the violation of a sound principle to suggest that such a limitation would impose hardship. A merchant needing more money in his business than could properly be loaned him by his local bank should, in order to be able to borrow beyond such limit, enjoy such credit as to permit him to arrange for his loans at some relatively nearby and larger banking center. If his conditions will not permit such action a perfectly proper inference would be that the risk would be an improper one for the smaller bank. Again, the smaller interior banks can readily obtain on smaller loans higher rates of interest than a safe man doing a business too large for his local bank to properly and safely care for can afford to pay, and an acquiescence in such high rates by people who from the nature or volume of their business should command credit at lower figures at larger towns, should be one of the strongest reasons for denying such excess loans at home.

In these days of comparatively narrow profits it only rarely happens that sentiment is strong enough to induce a merchant to pay his local bank seven or eight per cent for money when he knows that for a two cent stamp he could borrow it at from 5 to 6 per cent at some point fifty miles away. It is probable that conditions resulting from the war were responsible for the very free extension of credit of which we are speaking, but with the extravagantly large influx of capital to the South which the last few years have witnessed, both from investors outside of its borders and also and more especially from its own products of land, mines and factories, your most greatly blest section of our country should increasingly feel the importance of recognizing the soundness of business rules of world wide acceptance.

Again it would be most helpful if all bankers would assent to the soundness in principle and practice of the very modest requirements of the national bank act in the matter of reserve against deposits. Excepting only the central reserve cities, where national banks are required to keep on hand in actual cash a sum equaling 25 per cent of deposits, other banks maintain a cash reserve of only from 6 to 12½ per cent, while an additional 9 to 12½ per cent takes the form of a credit, 50 per cent of which at a given moment is apt to be made up of business to be finally liquidated at from one

to ten days from its dispatch. In pointing with pride to the rapid development of deposits the country over, the statisticians apparently do not for a moment consider the fact that a great and increasingly large share of such deposits as reported in figures reflect the enormous amount represented by checks on their travels about the country in process of collection in avoidance of an exchange charge which their direct handling would entail. It may be an overstatement but it is quite likely that if it were possible to reduce to liquidated amounts the gross deposits of the country their total would show a shrinkage from accepted gross figures of 25 per cent. As under existing conditions full debit balances are figured as reserve, the actual cash requirement of the law would certainly seem to be so reasonable as to appeal to all except those who in deliberately loaning their funds beyond the limit of prudence, depend upon their borrowing power or their indulgent and more careful neighbors for help in times of panic or trouble, which all bank men have in mind as a possibility at least.

The pace in competition in any community is almost always set by the bank having the least appreciation of the necessity for restraining law, and other things being equal the law, national or state, which imposes the fewest restraints or in other words, which really has not primarily in view the protection of the depositing public, is apt to be the more popular with many banks for reasons which are obvious if not altogether sound. As a consequence banks which too intently watch their profit and loss account in its daily growth and lightly regard the presence or absence of an adequate cash reserve have a distinct advantage over institutions which keep strong at the expense of some possible profit, but the owners and depositors of the latter feel better in tight or squally times.

It might not be amiss to refer to another phase of our business in connection with which common or uniform control would be most beneficial, and that is the use or misuse by banks of their borrowing power. Here again the national law is most generous in its provisions in permitting but limiting the exercise of such discretion to an amount equaling capital stock. The capital stock of any bank is the margin of safety offered the public for the protection of its deposits. Its surplus may be depleted by losses or at pleasure distributed in dividends, but its capital or at least its reported responsibility in such respect may not be impinged upon without serious consequences. It is true that in addition to paid-in capital the laws usually provide for an added responsibility to stockholders in banks, but in very many instances and especially where, as so often is the case, the controlling holders of record own only a more or less nominal equity in their stock, the added protection suggested in the laws is more useful for advertising purposes than in dollars.

Many think that the maximum limit to which every bank should be permitted to go in accepting deposits should bear some definite relation to their respective capital responsibility. Every bank in making its loans will insist certainly upon a margin in security of at least 10 per cent, in connection either with high class securities pledged or in liquid stock in trade, and any customer could with reason exact that his deposit be given the same measure of protection that his bank demands of its borrowers.

Other things equal, the greater the percentage of capital to deposits the greater protection afforded depositors. To supplement insufficient deposits to meet normal demands, in the form of artificial deposits reported as bills payable or rediscounts, lessens by just their amount the protection afforded by capital stock to depositors proper. It is well

recognized in any section of the country in which a single business interest is of dominant importance, as is cotton in the South, no bank could profitably and safely employ throughout the year such maximum amount of its own capital as would make borrowing unnecessary during the season of heaviest drain, but loans altogether proper and in order even to the generous limit of amount of capital should be looked upon as a handicap and not as a source of profit and retired with the utmost dispatch at the season of neighborhood realization upon its products. Any bank which borrows continuously throughout the year, or which so uses its credit except at a time of rare emergency, in excess of its capital, simply confesses in so doing that it is short of that proper protection which its depositors have a right to demand, under penalty of a withdrawal of their interest.

It is fair to say that banks, both lenders and borrowers, are now fast beginning to appreciate the dangers of overtrading, with the result that it is becoming increasingly difficult to continuously negotiate excess loans. Examiners, both national and state, agree as to the wisdom of strictly enforcing statutes setting a limit upon the direct borrowing power of banks and where no statute of adequate character is in force all concur in the opinion that such restraining law should be passed.

The banking departments of the several states and of the nation have, largely upon the initiative of the present able administration of the office of the comptroller of the currency, begun to realize the importance of securing not only the enactment of uniform laws to control and regulate banking in its several departments, but co-operation in all work or thought having in view the conduct of the business on a high and safe plane to the benefit first, of the depositor whose money is the basis of the credit of the country, and then the stockholders, whose interests must be left in the hands of others, their representatives, who without controlling law and intelligent examinations and correction might be prone to undertake avoidable risk, to the loss of all concerned.

Money Steady

Money is steady but inactive in the Chicago market. Trade developments are not up to expectations and the demand for funds is less urgent than it was two weeks ago. Commercial loans are $4\frac{1}{2}$ to 5 per cent. Real estate loans remain on a 5 per cent basis, although the range of quotations is 5 to 6.

Foreign Exchange is as follows: Demand London, $4.86\frac{1}{2}$; 60 days sterling, $4.84\frac{3}{8}$; demand Germany, $95\frac{1}{8}$ less 1-32; 60 days Germany, 94-16; demand Paris, 5.20; 60 days francs, $5.21\frac{7}{8}$.

WEST VIRGINIA CONVENTION

Secretary J. S. Hill of Charleston is sending out notice of the West Virginia banking convention, which will be held at White Sulphur Springs, July 11th and 12th.

\$450,000.00 Port of Tillamook, Oregon 6% Harbor Improvement Bonds

Notice is hereby given that sealed bids will be received by the Treasurer of the Port of Tillamook, in the City of Tillamook, in the State of Oregon, at his office in said city, until Thursday, June 15, 1911 at 10 o'clock a. m. for the purchase of all or any part of the bonds of the said Port issued by virtue of a resolution of said Port, duly and legally passed April 6, 1911. Said bonds are to be dated July 1, 1911 and run 20 years from their date, interest payable semi-annually, both principal and interest payable in United States gold coin at Tillamook, Oregon or at the office of the Port's fiscal agent in New York City, N. Y. Said bonds are 900 in number and of the denomination of \$500 each and are issued for the purpose of defraying the cost of harbor improvements on Tillamook bar and bay. Said bonds will be sold to the highest bidder for cash and all bids must be accompanied by a certified check equal to 5 per cent of the amount of the bonds bid upon. The right is reserved to reject any and all bids and to re-advertise for bids for the same.

Dated at Tillamook, Oregon, this 10th day of April, 1911.

M. F. Leach, Treasurer, Port of Tillamook

New Banks

NORTHWEST

Nokomis, Ill.—Farmers National Bank has increased its capital stock from \$50,000 to \$75,000.

Freeport, Ill.—Galena Street Bank has been chartered with a capital of \$100,000. Thomas Wohlford and Henry Spellman are promoters.

LaCrosse, Wis.—First State Bank is the title of a new incorporated institution capitalized at \$25,000.

Stacy, Minn.—First State Bank is the title of a new enterprise. F. E. Warner, of St. Cloud, is cashier.

WEST

Alhambra, Cal.—A charter has been issued for the National Bank of Alhambra, with capital stock of \$50,000.

Riverside, Cal.—Riverside Securities Savings Bank has been incorporated with a capital stock of \$250,000.

Harrah, Okla.—First National Bank of Harrah, capital \$25,000; B. F. Miles, president; J. W. Miles, vice-president; O. G. McClurg, cashier.

Clinton, Okla.—Oklahoma State National Bank of Clinton, capital \$25,000. J. W. McNeal, president; E. J. Murphy, vice-president; Chas. W. Brewer, cashier; W. L. Smoot, assistant cashier.

Dewey, Okla.—Security National Bank of Dewey, capital \$25,000. W. J. Thompson, president; E. H. Boylan, vice-president; B. B. Boylan, cashier.

Cordell, Okla.—Cordell National Bank, of Cordell; capital \$30,000. J. M. Armfield, president; J. M. Callaway, vice-president; W. O. Callaway, cashier; J. J. McCurley, assistant cashier.

The State National Bank, of Cordell, Okla.; capital \$30,000. H. L. Rowley, president; G. F. Ames, vice-president; I. L. Hull, cashier; J. A. Taylor, assistant cashier.

Sallisaw, Okla.—Farmers National Bank, of Sallisaw; capital \$25,000. A. B. Dunlap, president; R. W. Hines, vice-president and cashier; S. O. Turner, assistant cashier.

SOUTH

Hawthorne, Fla.—The Hawthorne State Bank has been organized. A. L. Webb, P. O'Brien, W. C. Mabin, J. J. Haymans, R. H. Smith and others are promoters.

Palmetto, Ga.—The Palmetto Banking Company has been chartered with a capital of \$25,000. T. E. Galbreath, W. C. Keith and W. D. Johnson are interested.

Dublin, Ga.—The Exchange Bank has been organized with a capital of \$25,000. J. M. Page, E. D. White, T. H. Black, R. D. Flynt, J. S. Adams, J. O. Banner, A. P. Hilton, J. H. Land and others are promoters.

Plymouth, N. C.—The Bank of Washington has been chartered with a capital of \$50,000. Wheeler Martin, C. D. Carstarphen, J. Staton and others are promoters.

Greeneville, Tenn.—The Citizens Savings Bank is the title of a new enterprise.

EAST

Copenhagen, N. Y.—Copenhagen National Bank, Copenhagen, capital \$25,000; Milton W. Holt, A. L. Clark, H. L. Grant, F. P. Lansing and W. J. Twining.

Newark, N. J.—The Market Bond, Mortgage and Trust Company has been organized with a capital of \$100,000. Siegfried Leseliziner and others are interested.

Lyons, Ohio.—Lyons Commercial Bank is a new enterprise. R. C. Rothfuss is president; A. F. Mitchell, vice-president, and F. A. Weber, cashier.

Deshler, Ohio.—Deshler State Bank has been organized with a capital of \$25,000.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

SITUATION WANTED

Wanted. Position as Teller or Assistant Cashier by steady man, thirty years of age. Five years' banking experience. Reasonably rapid. Bank references furnished. West of Chicago preferred. Address, B5, Chicago Banker.

FOR SALE—Miscellaneous

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, i. c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

FOR SALE—Farm Implements

O'Neil Implement Co., La Salle, Ill., have on the market CON-SERVING carriers and EXPANSION spreaders that increase the value of MANURE and save so much time and labor that they are the best paying investment a stock or grain farmer can add to his equipment.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

BIG STATION NEARLY FINISHED

Officials of the Chicago and Northwestern Railway say that the new \$20,000,000 passenger terminal may be opened for traffic some time during May. It is said that practically all of the work has been completed, with the exception of details, but the management of the road has decided that the opening shall not take place until every part of the work shall have been absolutely finished and that no opening date shall be set until it is certain there will be no postponement required. The chief work to be done is the installation of electrical apparatus connected with the operation of the block signal system.

San Francisco

The Bankers Investment Company, headed by President I. W. Hellman of the Wells Fargo Nevada National, has decided to erect a \$500,000 Class A building on the north side of Market Street between Geary Street and Grant Avenue. The lot runs through to Geary Street and is one of the most desirable holdings in the city. The building will be four stories in height, with foundation capable of supporting several additional stories.

W. H. Coffinberry has been elected president of the Bank of South Francisco to succeed Jesse W. Lillenthal, resigned.

The exposure following the collapse of the Bank of Shasta County threatens a scandal of widespread proportions. W. R. Williams, state superintendent of banks, returned to San Francisco from Redding, leaving affairs there in charge of his personal representative, George M. Mitchell, and District Attorney Chenoweth. It is stated that there is at hand ample evidence to warrant the prosecution of the bank's responsible directors for gross violations of the state banking law. Criminal proceedings can be maintained against the big borrowers only in case it is established that they obtained the money under false pretenses. In an interview, Supt. Williams says:

"I have not been able to familiarize myself completely with the bank's affairs, but the conditions are such that leave no room for argument as to the necessity of liquidating. It is a peculiar condition that I found there. There has been criminal negligence in the management of the institution. The violation of the banking laws is revealed by the size of unsecured loans. It is difficult to tell in a matter of this kind just how much can be realized. Where a bank is dependent for the repayment of its loans, as this one will be, upon the fate of industrial concerns, it is guesswork at best. It will all depend on what can be done with the two lumber companies—the Terry company and the Castle Lake. I do not know yet how deeply these lumber concerns are involved outside the bank, and until all these things are clear, nothing definite can be announced."

Gould is victor in Missouri Pacific, electing Bush president instead of Francis.

RALPH M. JACOBY, Banker

Merchants National & Manhattan Bank Building
40 Wall Street, NEW YORK

Undertakes the entire financing of manufacturing enterprises, public service properties, steam railroads, irrigation projects, the development of mines, coal, timber and mineral lands. Corporations organized, any State; act as trustee, registrar and fiscal agent for the sale of stock and bonds; negotiate entire issues of good securities for reliable concerns.

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Los Angeles

Stockholders of the Citizens National of Los Angeles have voted to increase the capital stock from \$1,000,000 to \$1,500,000, making its capitalization equal to that of its big rivals, the First National and Farmers & Merchants National. Progress of the latest negotiations looking to the acquisition of more banks by the Citizens is slow, but there is every reason to believe the plans for further consolidation will materialize soon. It is the ambition of the Citizens to become the largest instead of the third largest national bank in Los Angeles.

The Los Angeles Trust and Savings Bank will move into its new quarters about July 1st. This new building, located on the northwest corner of Sixth and Spring streets, is one of the handsomest in any city in the West, costing approximately \$600,000. It will be ten or twelve stories high, and the Los Angeles Trust and Savings Bank will occupy the entire first floor. Though not yet completed, all but ten of the 235 offices on its ten upper floors have been leased, and many are already occupied.

Los Angeles bank clearings, which this year have broken all records for a day, a month, and a quarter, continue to increase at an enormous rate. The total clearings for April 5th, \$3,983,138, exceeded by \$827,096 the amount for the corresponding date of last year, and by \$1,378,089 the total for the corresponding date of 1900.

H. A. Estabrook, formerly cashier of the Consolidated National, of Tucson, Ariz., more recently assistant cashier of the Equitable Savings Bank of Los Angeles, has taken an official position with the Seaboard National at San Francisco.

Eliot Calender, founder and president of the Dime Savings Bank and Trust Company, and one of the chief stockholders of the Commercial National, of Peoria, Ill., has purchased a beautiful house and farm in Westmoreland district, and will make it his home in the near future.

Announcement has been made of the purchase of a majority of the stock of Carey R. Smith and C. E. French in the Orange County Savings Bank by W. A. Zimmerman, of Santa Ana. Mr. Zimmerman assumed active management of the bank on April 1st.

J. A. H. Kerr, national bank examiner, who a few months ago was transferred from the Los Angeles district to Portland is back again, having been re-transferred to his old field.

W. D. Woolwine, vice-president of the National Bank of California, who has been ill for several weeks at his home, is recovering.

John F. Andrews, cashier of German-American Savings Bank, of Los Angeles, has gone on a six months' trip to Europe.

\$30,000 BANK HOME

Farmers Bank of Ellensburg, Wash., has started work on a \$30,000 home. The building is to be of Tenino cut stone and will be the most modern bank structure in Central Washington. It has a 40-foot frontage on Pearl Street and a 90-foot frontage on Fifth Street. It will be two stories above the street level, with four huge round columns on the Pearl Street face, while ten square columns will ornament the Fifth Street side. The first floor will be devoted to banking purposes and vaults are arranged for the bank's money. The bank quarters are to be fitted in mahogany and marble. The second floor is to be used for offices.

Foreign exchange is steady at last week's quotations.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

tective system, to go to the Little Rock convention. It is reported that Mr. Burns made his usual big hit with the bankers. Mr. Wait in turn called the attention of the delegates to the superior service which the American Bankers Association is having along protective lines under the Burns' supervision.

THE secretaries of the southwestern states are becoming quite as active as those of the northwestern states in favor of protective work. Recently the secretaries of Missouri, Nebraska, Arkansas, Oklahoma, and Kansas all met at Kansas City for a conference. Several of the burglary insurance companies were represented and great interest was aroused. As a result the five associations are joined in a \$500 reward for each bank burglar. This is very practical work.

THE secretaries induced the insurance companies to offer a similar reward in each case and they have agreed to ask their respective legislatures to offer a standing reward for each bank burglar, robber, or hold-up man. This will make a combination offer of \$1,500 reward for each individual burglar and ought to be an incentive to the sheriffs and police officers of the Southwest.

HERETOFORE the Arkansas association has been offering a prize of \$100 to the school boy who would produce the best single ear of corn in the state. This year the prize has been raised to \$300 and all the boys in the state are expected to compete. This plan has attracted the attention of the United States agricultural department, which approves of the work.

MR. WAIT has found, like most other secretaries, that the conduct of an efficient group association costs money, and he reminded his members that annual dues probably will have to be increased. This has been done in most of the other states where the group system was adopted. The report closed with a strong appeal to the bankers to help make every bank in Arkansas a member of the association and to have them all united for safe and honest banking and for the development and up-building of the state.

BANKING papers in New York City, apparently under the tutelage of James G. Cannon, are united in advocating Washington City as the place for holding the 1911 A. B. A. convention. Certainly it is a strong movement and the arguments presented are good. Practically, the position does not look so strong, for no invitation has been received from Washington as yet. Much work has been done in favor of San Antonio, and quite a little for New Orleans. According to custom it would seem that one of these two places would be selected. Western members seem to favor San Antonio and Eastern members think it a "little too far away." Those who appear to be most closely connected with the situation seem to think there is a probability of New Orleans being selected on account of her splendid hotels and fairly central location. Time would be November 10th, or thereabouts.

THERE has been an attempt by one railroad company and a minor banking publication to bring the 1911 convention to Chicago. While Chicago banks are not averse to having the convention, they are not likely to be found antagonistic to other cities which never have had the convention or have not had it for many years. In A. B. A. circles one frequently hears Minneapolis, Detroit, and Boston mentioned as eligibles. There is every probability that the next succeeding convention after 1911 will be held in one of these cities.

WASHINGTON CITY at the time congress is in session would have great difficulty

in furnishing hotel accommodations for the members and delegates. This is getting to be quite a question when the meeting place is to be decided upon. Bankers like the creature comforts and insist upon "separate room with bath" for each person, which is a tax even on the very largest cities. Perhaps Atlantic City is as nearly ideal as any place could be in this respect. The location will be fixed for the 1911 meeting at the Nashville conference of the executive council, which will meet May 1st, 2d, and 3d.

THE Chicago-Nashville special train de luxe (all compartment cars) will leave Chicago at 6:20 p. m., April 29th, and will arrive in Nashville on Sunday morning. An elaborate dinner will be served on the train and the Nashville clearing house will give the visiting bankers a sight seeing and touring trip by automobiles on Sunday. Special arrangements are being made to entertain socially the ladies who will accompany the members. More than fifty per cent of those in attendance will be accompanied by ladies.

ALL banks in Cleveland will be examined regularly by Francis Coates, Jr., of Richmond, Va., who is now in the employ of the United States government as an examiner. Coates was appointed examiner last Wednesday by the Cleveland Clearing House Association, and he will enter upon his duties on May 1st.

THE second postal savings bank in Indiana, will, it is said, be located at Gary. The one at Princeton has been in successful operation since early in January. At Gary the conditions are ideal to test the workings of the postal bank system in a community where there are many foreigners or persons of foreign ancestry.

FREDERIC B. STEVENS, treasurer of the National Savings of Albany and secretary of the Savings Bank Association of the state of New York, has been appointed a member of the law committee of the savings bank section of the American Bankers Association.

AN interesting result of the system of examination of state banks, as pointed out by Secretary of State Ben L. Bruner in a letter which he has sent to THE CHICAGO BANKER, is that institutions which have been examined have had a marked increase in their deposits, the average being about 15 per cent.

THE inference is that the inspection system has tended to increase public confidence in the banks. Although some of the banks declined to accept the examination at first, scarcely any decline to have their books inspected by the state authorities now.

KENTUCKY bankers have been much pleased to learn that the opposition to the bill providing for a state system of bank inspection for Tennessee, which for a time seemed doomed to defeat, has been withdrawn, amendments having been made as concessions to the opposition. It is now understood that the bill, which provides for a state banking department, will go through easily. Bankers in that state are especially interested because of the fact that a similar bill will be offered in the Kentucky legislature next winter.

MISSISSIPPI bankers are beginning to move toward a state inspection clause in their banking law. Before long every state in the Union must do likewise. Yes, even Illinois!

STANDARD TRUST now is a full fledged member of the Chicago clearing house, having earned its spurs in eight months. The members now number five nationals and thirteen state banks. The U. S. subtreasury makes the total 19.

GILES S. WILSON retired as secretary of the S. C. bankers at the Summerville convention. He now is a U. S. bank examiner, same as Harry Yeager of Montana. Thus two secretaries have "gone up," with a long waiting list.

AT Summerville, Mr. Wilson reported a membership of 305, a gain (net) for the year of 30. The report concludes: "This includes each of the 41 national banks, each of the 4 private banks and every state bank that is as much as four months old, excepting only two that have not renewed and one that has never joined. This membership record is excelled, if at all, by the state of Missouri only, which, a year or two ago, reported every bank in the state a member. I had hoped to achieve a similar record for South Carolina before relinquishing the office of secretary, but will have to leave that honor for my successor to win."

MR. WILSON has been secretary for seven years, and began with 97 members only. "Good work" as they say over at the Sox park. Mr. Wilson reported 125 members of the A. B. A. for South Carolina, and says there should be twice that many.

CASHIER.

FRANKLIN E. RUPERT, OF PEKIN, DEAD

On Saturday last, Franklin E. Rupert, president of the First National, Pekin, Ill., died after a lingering and painful illness. He was born in Pekin in 1840 and at his death had attained prominence and success in both business and banking. He was well known to Illinois banking as a substantial citizen and conservative in financial matters.

WILL SEE THE CORONATION

H. Irving Jones, mining engineer, Denver, Colo., who will be remembered by delegates that attended the National A. B. A. Convention two years ago, visited Chicago Saturday en route to London, where he will remain until after the coronation of King George. Mr. Jones is a native of England but feels pride in the thought that he is now carrying his first American papers and trusts soon to be a full fledged citizen.

A CHEERFUL NEW YORKER

Albert S. Cox, assistant cashier, who travels out of New York for the Great Merchants National Bank, 42 Wall Street, dropped into Chicago Saturday, shook hands with the banking crowd and departed that evening for St. Paul. Mr. Cox says that although some lines of business are rather quiet in New York the Merchants National is carrying a good line of deposits and the individual transactions are satisfactory.

NORTH DAKOTA HOPEFUL

H. D. Baillet, vice-president of First National Bank of New England, New England, North Dakota, called on Chicago banking acquaintances Saturday. In conversation with officials of the Central Trust Company Mr. Baillet expressed his belief that North Dakota would show up with a splendid wheat crop this season, and that business conditions were promising for the future in the entire Northwest.

CONSTITUTION IS REJUVENATED

George Woodruff, president of First National, Joliet, made a flying trip to Chicago Tuesday and tarried long enough to say that the rejuvenated constitution and by-laws of Illinois Bankers Association when finally adopted would be a thing of beauty and a joy forever.

The Brandt Automatic Cashier

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all the bother and worry of counting and picking up small coins.

Saves 25% in time.

Prevents errors.

It's automatic.

PRESS ONLY ONE KEY
PAYS MONEY



Pressing ONLY ONE KEY
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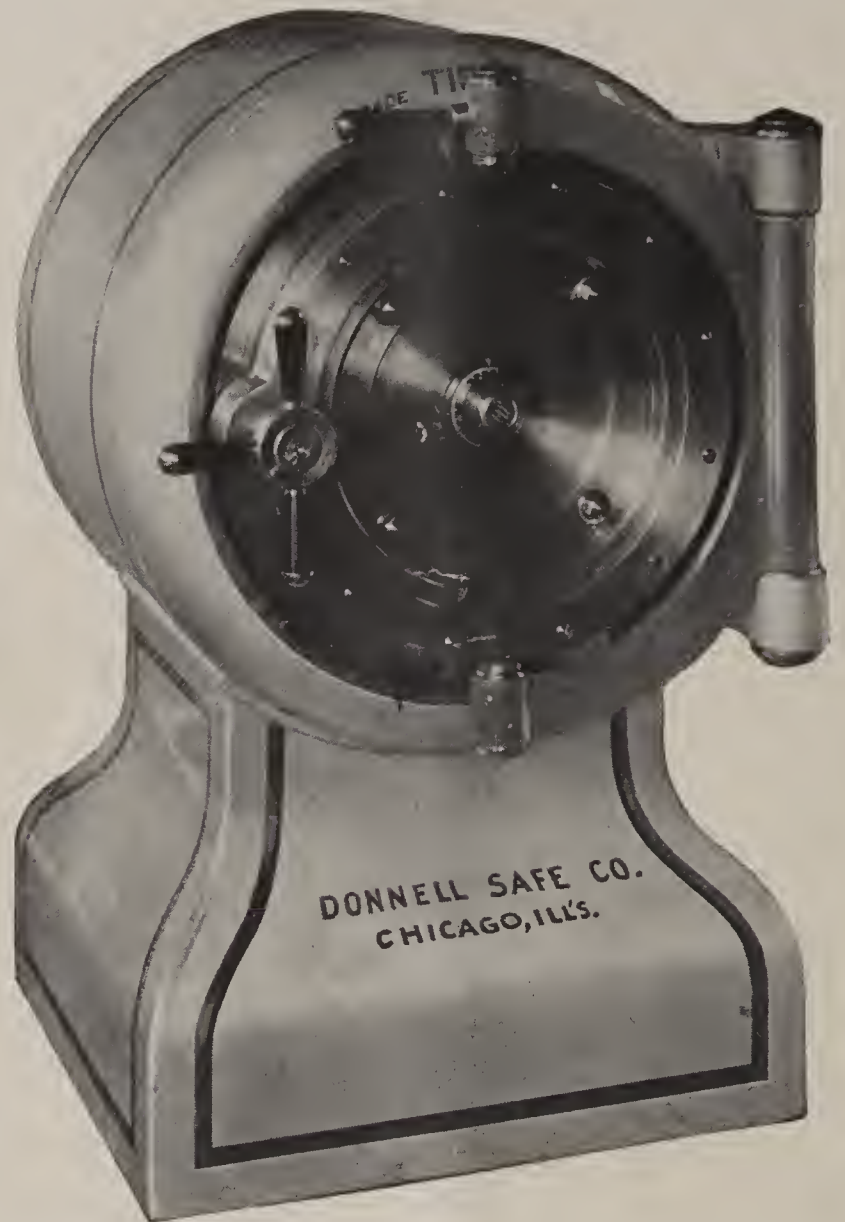
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L. H. GRINME	- Cashier	WALKER G. McLAURY	- Assistant Cashier	
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

APRIL 29, 1911

Entered as Second-Class Matter January 15, 1903, at the
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10 CENTS A COPY

Banking Opinion

President D. R. Forgan of National City Bank, Chicago, has returned from his Texas visit. He did not go beyond the northern section of the state but he saw enough to convince him that the resources and prospects of Texas have not been overestimated.

"My only regret in connection with Texas," said Mr. Forgan to a representative of THE CHICAGO BANKER, "is that this city has not a larger trade there. One could hardly exaggerate the natural wealth of the new country that I saw.

"There is a safe outlet there for a great deal of Chicago capital and for five times the amount of merchandise that we now send. The development of the country is rapid and permanent. One can see fine villages of five hundred to a thousand inhabitants where there was nothing but bare prairie a year or two ago.

"A fact that impressed me is that farmers in many cases get enough from their first crop to pay for the land. The return from wheat, alfalfa, corn, cotton and other crops amounts to anywhere from \$25 to \$75 an acre and that is the range of prices for land. There are millions of acres of virgin soil in the northern and central parts of the state awaiting the work of settlers. The land is ready for the plow, there being little timber there."

With respect to general business and the use for capital Mr. Forgan said the settlers and investors were taking in a great deal of money but nevertheless the rapid development of all kinds of business called for money. Security as a rule is satisfactory. There are many municipal and railroad bond issues that afford a good opening for investment. After viewing the country an investor can have little fear. Settlers are going in fast and the development of wealth is going on at an amazing rate.

CHARLES N. VOSS IN CHICAGO

President Charles N. Voss of German Savings Bank, Davenport, has been a visitor at First National in Chicago this week. Mr. Voss is at the head of a concern with ten millions deposits and is in close touch with business interests in the Davenport district. He told Vice-President August Blum that the demand for money had greatly improved and that there was considerable trade activity throughout Iowa.

ENTERTAIN TEXAS BANKERS

Officials of National Bank of the Republic have been entertaining Vice-President J. T. Scott of Houston First National, and E. A. Peden, a bank director and manufacturer, also of Houston. These are two of the most influential men of their district.

GRAIN MARKETS STEADY

Wheat has been fairly steady this week around 90 cents for May and 87½ for July. Corn advanced to 52½ for May and 53 for July.

OAKDALE BANKER HERE

Cashier C. W. Lancaster of Oakdale Commercial Bank, Oakdale, Ill., has been in Chicago this week.

LAWTON JOINS FORT DEARBORN

Harry Lawton, formerly manager of the foreign exchange department of Continental-Commercial National, has accepted this position with Fort Dearborn National and will enter upon his new duties May 1st.

James McCurrach succeeds Mr. Lawton at Continental-Commercial. Mr. McCurrach has been with the Continental for a number of years, part of the time as assistant to Mr. Lawton and for a while as chief clerk. He was with the Northern Trust a number of years ago. Both of these gentlemen are experts in their line.

Gain in Business

Chicago bankers report a steady money market, with no advance from last week's quotations. Demand is improving in accordance with a gradual gain in the volume of commercial business. Loans are on a 5 per cent basis with the larger customers receiving accommodations at 4½ to 4¾. Real estate securities are taken at the usual range of 5 to 6 per cent. Bonds of all kinds are steady on a fair business.

PRIESTS QUIT BANK BOARDS

A recent order issued by Bishop James Davis of Davenport requires all Catholic priests in the Davenport diocese to resign from positions they may hold as officers or directors of any of the banks in that district. The order carries into effect a recent order of the Pope. It is not known how many bank officials will be affected by the order in Iowa but it is probable that there are many of them.

Chicago bankers say there is a general order to this effect. It was issued because in many cases priests have been imposed upon. It is a rare thing to find a priest on a directorate in this city.

Consecutive Dates

Texas, Oklahoma, Kansas and Missouri have chosen consecutive dates for their state conventions. Texas comes first with the meeting at Dallas on May 17th-18th-19th. Oklahoma bankers will meet at Oklahoma City, May 22d-23d and Kansas and Missouri on May 24th-25th. Couldn't be better arranged to make it easy for the traveling evangelists who go out for the reserve banks.

ON THE NASHVILLE SPECIAL

Among the latest reservations on the big Chicago-Nashville Special are Festus J. Wade, president of the Mercantile Trust, St. Louis; John Perrin of Indianapolis; J. C. Bassett, president Aberdeen (S. D.) National, and J. O. Wilson, Bloomington, Ill.

INDIANA BANKER HERE

President D. D. Jacobs of Farmers and Traders Bank, Lafayette, Ind., was a visitor at LaSalle Street National, Chicago, recently and gave an encouraging report of business conditions in Indiana.

Hits Aldrich Plan

"Banking Reform" was discussed at the annual dinner Saturday night of the Minneapolis chapter A. I. B. in the Commercial club by E. D. Hulbert, vice-president of Merchants Loan & Trust company of Chicago, who opposed the Aldrich plan. Governor Eberhart spoke on "The Young Man in Finance," in which he said that the expense of the last legislature was more than justified in the passing of one bill for the improvement of rural education passed under the leadership of Joseph Chapman, Jr., for the Minnesota Bankers Association.

The Aldrich plan will not work, Mr. Hulbert said, principally because it seems to have been based very largely on European conditions which are non-existent in this country. There are two main reasons, Mr. Hulbert said why the banking machinery of the United States occasionally breaks down. One is the crop-moving demand, the other the speculative activity of Wall Street. Mr. Hulbert said in part:

"It is proposed to organize a great corporation to be known as the Reserve Association of America with an authorized capital of \$300,000,000. Its headquarters are to be in Washington and it is to have fifteen branches in various parts of the country. The stock is to be owned entirely by national banks, and its business in this country is to be confined entirely to national banks and the government. The stock is to be only half paid up, so if banks enough come in to subscribe for all the authorized capital, the association will start with a paid in capital of \$150,000,000.

It is to have forty-five directors who are to be elected in a complicated manner and with extraordinary safeguards against control by any special interests.

"These safeguards, however, seem of rather small importance in view of the fact that about all this board of directors has power to do is to elect annually five members of an executive committee of nine. When once appointed, this committee has practically entire control of the corporation and is not subject to control by the board. The other four members of the committee are the governor, two deputy governors and the comptroller of the currency. One commentator says this will be the most powerful committee in the United States. Undoubtedly this is true, but it will be a serious subject for consideration whether or not it is desirable to have the financial welfare of this country largely dependent on the wisdom and fidelity of nine men, no matter how appointed.

"Let us suppose that they do succeed in what they call centralizing and mobilizing a considerable part of the cash reserves of the country. What are they going to do with them? We are told that this great fund will be held to protect the financial world from disaster if trouble breaks out in any part of the country. This great fund will be available to extinguish the conflagration at the start. Theoretically this plan is sound, but as a matter of experience we have found that there is only one place in the country where financial trouble causes general alarm, and that is in New York. The financial

(Continued on page 29)

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$10,000,000

Officers

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RALPH VAN VECHTEN - - - Vice-President
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JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary
EDWARD S. LACEY
Chairman of Advisory Committee



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RALPH C. WILSON - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor
H. LAWTON - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000 **TRUST, SAVINGS AND BOND DEPARTMENT** **Surplus \$500,000**

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Vice-President

CHARLES C. WILLSON
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Officers
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AVERILL TILDEN
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WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

WILLIAM HAZZARD has been elected cashier of the big Commercial-German at Peoria. He has been in the bank's employ for twenty years of acceptable service. Edward A. Cole has retired. W. B. Reed, teller, succeeds Mr. Hazzard as assistant cashier.

MR. HAZZARD has a large acquaintance in the state and among bankers is known as a student. In group work he has been a faithful co-worker from the earliest little band to the final triumph over entrenched opposition. He had wisdom enough to refuse several tempting offers to leave his native city.

B. F. HARRIS has put out his recent Chicago Commercial Association address on "What I Know About Farming," in booklet form. It was carefully prepared and deserves wider circulation. Mr. Harris is chairman of the agricultural committee of the Illinois Bankers Association. This committee, if it succeed in breaking the strangle hold of the meddlesome ex-presidents and can side step the commercial fertilizer octopus ought to be of great service to the state, and to banking.

EVERY banker should be wise to the cheap wide angle lens in use by the commercial photographer. When you have interior views of a bank taken stipulate "not greater than a medium angle lens to be used." Take no excuses but stick. Use two "views," instead of one if necessary, and have your place look in the photo as it does to the eye.

FURTHERMORE, don't get excited about "the death cup" nor "the death towel." This is only agitation favoring legislation to fasten a paper towel and a paper cup annuity on the railroads, hotels, etc. Just as the armor plate people hire men to get up war scares when an appropriation is in doubt.

BANKERS blame their downfall upon various things. Ten years ago "the races" was the thing. Then "gambling on Wall Street" was used as an excuse. Now it is the automobile with attached expenses. E. F. Burns got into the Tipton (Kan.) bank for over ten thousand on this lay. He was the cashier.

SAFE deposit vaults now are to be found in every city and town. Fifty years ago, this week, the first one was opened in New York. It was the Safety Deposit Company and had quite a time getting under way. It was a winning business venture from the very first.

JAMES J. TOWNSEND, a leading broker, has been named for the presidency of the Chicago Stock Exchange, to succeed Frederick D. Countiss. E. G. Foreman is the candidate for treasurer.

MORE than 525 tickets have been taken for the trust company banquet in New York on May 5th. A number of Western bankers, including Oliver C. Fuller, head of the trust company section, will go direct from Nashville, after the big council meeting.

HERE'S a suggestion from one of our ablest bankers. He read what J. N. Dol-

ley, banking commissioner for Kansas, had to say on page 14 of last week's CHICAGO BANKER. This is what was suggested. "He (Mr. Dolley) should get a copy of the Aldrich plan and read it for himself. Whoever told him about it deceived him cruelly."

THAT the Chinese, "who invented everything," anticipated even President Taft's brilliant arbitration proposals to England, is shown in John Stuart Thomson's important new book, "The Chinese," which suggests the settlement of all far Eastern questions by "the patrol of the Pacific by the entire American navy, just as the Atlantic seas must be delegated to the entire British fleet." This is the practical application of the growing Anglo-American "entente cordiale."

"THE CHINESE" is published by the Bobbs-Merrill Company of Indianapolis, and tells how in return for Britain's policing of the Atlantic, America would police the Pacific, and hold Japan within bounds, which would be really welcomed by Japan's taxpayers, who now uselessly bow under proportionately the heaviest per capita tax of any nation. Since John Hay's proposals of 1899, the Chinese people, Mr. Thomson says, look to America as the savior of their territorial integrity, the maintainer of the "open door" for all, and the policeman of international peace, who aims to acquire no one's land.

JOHAN F. HAGEY, First National, Chicago, is touring the South with the Chicago Association of Commerce delegation, but will be at the Nashville conference of council and committeemen, and will return with the Chicago special train over the C. & E. I.

THOSE of you who want to get an accurate focus upon the "Possibilities of Senator Aldrich's suggestions for monetary legislation," are advised to read J. B. Forgan's address on that very subject before the council banquet at Nashville. It will be printed in full in next week's issue of THE CHICAGO BANKER.

HILLSBORO, TEXAS, has four rather evenly balanced banks. The First State and the Farmers National are about a tie at \$320,000 in deposits and the Citizens and Sturgis nationals are close together around a quarter of a million. The Sturgis has \$100,000 capital and each of the other three has \$50,000 capital and a like amount in surplus. Thus the four probably come as near dividing things evenly as any four banks in the country. W. M. Williams, president of the Farmers, was in Chicago last week and spoke of this condition and its happy family effect.

"ON the firing line" isn't an article in the Daily News war series as one might suppose, but is the title of a fine talk made by P. W. Hall, secretary for Iowa, at the state group meetings. Visits from secretaries with ideas and a "line of shop talk" do lots of good for the cause at the smaller meetings which are more personal.

CHAIRMAN C. H. HUTTIG of the big council expects the members "to give the subject of 'currency reform' a good deal of attention" at the Nashville conference. The attendance promises to be larger and more representative than usual.

"I HAVE cut out," writes a reader, "your short article on the 'A. B. C. of the Aldrich plan' by Mr. Huttig of St. Louis. It's the shortest and the clearest thing I've seen on the subject. He gives a simple, clear statement of the financial conditions which require correction, the plan which has been devised and the manner in which it is expected to correct existing evils. It is so worded that the man on the street can understand."

IT really is fine to treat a subject of such vital importance in such a way that the reader needs neither guide book nor diagram. In this light Mr. Huttig's article ought to do a lot of good in disarming the uninitiated of distrust and suspicion. Furthermore his word goes a long way with the real western bankers.

"I DO not remember," said G. M. Reynolds, speaking to New York newspaper men, last week, "when the planting conditions in the agricultural districts have been better. In California and the Southwest they have had abundance of moisture and the prospects for large crops are excellent. Farmers at present are holding on to the products they now have in the expectation of higher prices and the banks are willing to finance this movement on account of the plethora of funds. We feel that this tendency on the part of the farmers is perfectly legitimate, as the conditions of the country banks is such as to stand all such demands made upon them."

ANOTHER good banker, seeing the name of Woodrow Wilson as a top liner for the Illinois convention at Peoria writes in to say a few lines for that distinguished gentleman. Part of the letter reads:

"WHAT does Woodrow Wilson's strength consist of? Why is he regarded with almost reverence by the honest citizenship of the state of New Jersey? Simply because he has the courage in these strenuous times to plant himself in uncompromising opposition to those characters who embody within themselves all the infamies that go to make up characterless political traders. That Woodrow Wilson is a splendid prospective candidate for the presidency need not be announced. Deep down in the hearts of every honest man there springs a hope, a longing and a yearning that 1912 will see a man of wisdom, a man of courage, a man of indomitable will, who will allow no obstacle, no political expediency, no howl of any pampered interest to sway him from the performance of his duty to a suffering people."

WE hope this little paragraph comes to the attention of all who are like minded with the writer. Governor Wilson is a national character and has the good will of all free

(Continued on page 31)

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REMITTS

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TO BANKERS

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The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

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In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

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DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

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CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

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CHARLES G. DAWES, ex-Comptroller of the Currency

On The Firing Line

of the Iowa Association, at Group 4 meeting at Elkader, April 27th

Short talk by Secretary P. W. Hall

My talk is really more of a secretary's report than an address and I ask your kind consideration for a few moments only.

The average banker listens with respectful interest to the cannonading of the big guns and the rattling of the musketry on the platform at a convention, and perhaps does not realize the research required in gathering the ammunition necessary for shots which clearly hit the mark, and I hope that my powder is wholly of the smokeless variety. I come to you from the very center of activities, the firing line, not that we are shooting at each other, but we are campaigning for a greater and better association.

I want to talk principally of thoughts that are near and dear to the hearts of the bankers of Iowa, and perhaps of this group in particular. I think a convention is not only a great educator, but also a successful promoter of business, through the gentle and potent influence of friendship. We interchange social greetings, thus materially aiding in breaking down the barriers and prejudices which are frequently caused by competition among those who are practically strangers. I am informed that the meetings of this group have been signally successful, your progress and development without interruption, the social side has not been neglected and the business side ever broadens.

You must have the respect and confidence of the public to get their banking business. You remember the old negro servant who came to her mistress the day before she was to be married and entrusted her savings to her. The mistress was much surprised and said, "Why should I keep it; I thought you were going to get married?" "So I is, Missus, but do you 'spose I'd keep all dis money in the house wid that strange niggah?"

There is no member of society, I speak of society in its broader meaning, more closely in touch with the people in their home life, social life, business life and public life, than the banker, so we must proceed in wisdom and integrity to dignify our profession by fidelity and devotion to duty. The true banker's honesty is not simply a convenience and his principles shifted here and there for monetary advantage. We take out of our business just what we put into it and it is worth a thousand dollars to have the habit of looking on the bright side of things. There is something the matter with the fellow who can't smile; his face needs fixing.

"Exacting work within the narrow confines of an office has a tendency to curtail one's range of vision and will be a bar to larger opportunities if one falls a victim to its influence." Our contact with other bankers, with whom we mix freely at a convention, is full of useful instruction as well as a source of pleasure.

A noted packer in Chicago, who is a director in one of our banks there, I say "our banks" because Iowa furnishes most of the officers for them, was asked what particular talent it was that made the president of that bank such a

wonderfully successful man, and he replied in one word, "courtesy." We cannot put too much emphasis on the fact that the highest civility is the part of the code of every bank. The wearing duties of bank officers, the mental strain put upon them, the difficult character of the dealings they are constantly having with the outside public, and the idiosyncrasies and peculiarities of many customers, are each and all, causes which render it hard for these officers to maintain at all times this pleasant equanimity.

The bankers must be aroused to the fact that our mutuality of interests provides an unlimited chance for progress. For some years we have been undergoing visibly an economic transition of far reaching importance to us. This significant movement has caused the strengthening of our assets, the foundation on which we build, and the genuine Iowa asset is now of unquestioned stability. We don't have to feather our nest with borrowed plumes. We are very fortunate to live in a state where credits are of such a high established character, because the handling of credits is your real function and it is necessary to study earnestly and devise every reasonable method to safeguard our banks. Safe banking and lasting prosperity grow in the same soil.

If, in my talk, I appear to be bragging about the Iowa Bankers Association, you must understand that not any officer is taking credit individually, as men cannot partake too freely of that which might cause their heads to swell, lest the shrinkage might cause pain and humiliation. The peacock is a beautiful bird but the stork delivers the goods.

I have had the privilege as well as the burden of being an almost daily visitor at the state legislature, endeavoring to advance legis-

lation advocated by bankers and to kill legislation detrimental to banks or other business as judged by the bank. On the firing line all the time. One of the hardest fights was to get the bill through the senate which repealed the vicious tax ferret law. The tax ferret, of course, recovers for the public treasury revenue which might otherwise be lost. The public does not consider the cost or source of the revenue but only considers gathering in the biggest possible revenue. The friend of the ferret system defended it in the name of Mary of the vine-clad cot, who pays on all the cot is worth while the rich man eludes the assessor. This was the argument used by county officers when the supervisors employed a ferret. They felt that his activity would mean more revenue and hence more salary and more deputies for them. They got more salaries and more deputies but Mary of the vine-clad cot never pulled down a dividend because the ferrets were out hustling to relieve her tax burden by making the rich man pay.

It was deplorable that those the least able to pay were the ones from whom the ferret exacted his tribute. The victims were the widows and orphans who have a few thousand dollars insurance money or those in declining years whom the ferret obliges to move to more congenial climes to protect the funds necessary for their comfort. Money owes allegiance to no locality and seeks the direction of least resistance.

The efforts of bankers all over the state have been concentrated through the secretary's office and thus focused on the senate and house, and the members of our association can justly claim much of the credit for the repeal of the tax ferret law, the enacting of the moneys and credits five mill levy, the bulk sales bill, the uniform bills of lading bill, the bill permitting state and savings banks to omit liability of directors and list of corresponding banks from their published statements and many other bills of minor importance.

The majority of bankers do not appear to favor the new bank tax law and we opposed it in the legislature, but, like Abe Martin's report after attending "Uncle Tom's Cabin," "the dogs were good but they had poor support." We assisted in having a number of bad bills killed in the committee or on the floor and caused to be introduced a number of desirable bills which did not pass, but I will venture the statement, without fear of successful contradiction, that the repeal of the tax ferret law and the enactment of the low moneys and credits law will both directly and indirectly reimburse Iowa bankers hundreds of times over for the small dues paid to the Iowa Bankers Association. The able tax and legislative committees of the association have been active in this work, devoted much time to it and are entitled to much credit.

I have mailed copies of Senate File No. 387 to all members of our association and from letters received the prevailing opinion is that the courts should be asked to interpret the new law. It seems that greater care should be



P. W. HALL
Des Moines
Secretary Iowa Bankers Association

taken by our legislature in drafting statutes. Each law should be so clear and precise that the number of questions of construction to be afterwards passed upon will be reduced to the minimum. In some cases judicial construction produces a result opposite the idea of the author of such statute, thus many a law admirably designed for the alleviation of some social or economic ill gives little, if any, of the relief desired. Our legislature comprises an intelligent body of lawyers, bankers and other business men, many of whom have been visitors at my office and it was only through their friendly co-operation that we have secured so much valuable legislation. We have gained many things and just because we lost one or two, we won't quit work any more than the judge did when the attorney informed him that the bull pup had chewed up the court bible. The judge said "let the witness kiss the bull pup then, we can't adjourn court a week just to hunt up a new Bible."

Our association has an insurance department which is patronized by six hundred banks now, where it formerly had three hundred, but it is entitled to nine hundred more. The association has caused sweeping reductions in burglary insurance rates in Iowa,—and, as our small profit goes into the protective fund exclusively, thus directly benefiting every single bank in the state, I feel justified in requesting that the Iowa Bankers Association be given the business which is its due. This subject will be more fully covered in my report at our annual convention.

I wish to ask everybody to boost for the Mason City convention, June 15th and 16th. A program that will deeply interest you is being prepared and Mason City has united with its beautiful Clear Lake suburb in providing the finest entertainment ever offered a bankers' convention.

PULLMAN PROFITS LARGE

The Pullman Palace Car Company has filed a report with the interstate commerce commission. It is the first ever submitted and, while not too comprehensive, considerable enlightenment is given.

For approximately half a century the Pullman company strenuously insisted that it was not a railroad, not a common carrier and not subject to federal regulation. It claimed to be a hotel company whose hotels were run on wheels, but it finally decided to tell about its business.

The company started nearly fifty years ago with \$1,250,000 capital. It never had any new capital paid in except from earnings. Stock dividends have increased its capital until it is now \$120,000,000. A man who owned \$1,000 of its capital in the beginning would have drawn down an average of about 8 per cent a year ever since and incidentally had his capital increased to \$100,000.

Last year the company gathered in \$33,334,073 from the operation of 5,283 cars. It paid 8 per cent cash dividend and distributed \$20,000,000 in stock. The only roads in whose sleeping cars this company has no interest are the St. Paul, the New Haven and the Great Northern. The company builds its own cars and many others; even exports cars to foreign countries.

A steel Pullman of the most modern type costs \$24,124. Of the old wooden type the cost was \$14,722. People don't get telescoped or burned up in the steel cars, but these come high and have less ornamentation about them. There are in operation many of the old-fashioned Pullmans with solid black walnut carved woodwork that could not be duplicated to-day except for small fortunes.

The average Pullman earns a profit per day of \$7.62. The report fails to state anything as to the wages of porters, or the amount the public pays them for having its shoes shined.

HETTY GREEN'S BANKS

The plan to form a trust company to serve as the medium for handling Hetty Green's wealth has been abandoned by Mrs. Green and her son, Edward H. R. Green, and instead they are to organize a private banking house with branch offices in various parts of the country where Mrs. Green's holdings are heaviest. The change of plan was caused by the discovery that the laws of the various states did not give them the right to hold real estate in the name of one common corporation or trust company. The private banking house which is to be formed will have its main offices in New York under the name of "E. H. R. Green & Company." There will be branches in Boston, Chicago, Dallas and San Francisco. It is not the purpose of the plan to do general banking business for others. However, Colonel Green says it is possible that in a year or so the concern will be in a position to accept some outside business. The scheme does not affect Mrs. Green's present banking relations.

BANK TAKES HOUSTON BONDS

The South Texas National Bank of Houston, has taken over the entire issue of \$500,000 bonds by the city of Houston, voted for the building of the Main Street viaduct. By the terms of the deal the bank pays the city a premium of \$1,000 for the bonds, which bear interest at 4½ per cent per annum, payable in thirty years, with an option of ten years reserved by the city.

The bank has arranged to pay over immediately upon receipt of the bonds the entire sum of \$500,000 together with the premium, making the money for the viaduct immediately available.

The viaduct bonds were voted at a special election in Houston January 10th last when the \$500,000 bonds for the viaduct and \$1,250,000 bonds for the deepening of the Houston Ship Channel were voted.

SEATTLE BANKER ARRESTED

James A. Murray, president of the American Savings Bank and Trust Company of Seattle, and who is reputed to be worth \$20,000,000 was arrested recently on a complaint charging him with using the United States mails to further a scheme to defraud, and gave \$2,500 bail for his appearance at Spokane to stand trial. Murray and five other men were indicted at Spokane recently.

BETTER BANK SUPERVISION

Legislation to give the Pennsylvania banking department complete control over insolvent and shaky financial institutions coming under its supervision and to wipe out the costly receiverships was presented in the senate on Tuesday by Senator E. L. Tustin of Philadelphia. The bill was prepared for Commissioner of Banking William H. Smith by the attorney-general's department and has the full approval of Governor John K. Tener.

Pennsylvania now has one of the best administered banking departments in the union and, with this additional legislation, Commissioner Smith will be fully equipped to protect the depositors in state banks, trust companies and building and loan associations, the three classes of institution coming under his supervision.

Commissioner Smith has long contended that the iniquitous system of receiverships should be wiped out. He found a ready and hearty supporter of the policy in Governor Tener. Great care has been given to the preparation of the legislation and it is considered even a stronger bill than the law now in force in New York.

The Smith bill provides that, whenever the commissioner of banking shall have "reason to conclude that any corporation subject to his supervision and examination is insolvent or is in an unsafe condition to do business, or that its business or manner of conducting the same is injurious and contrary to the interests of the public, or in case any such corporation shall suspend payment of its obligations," he shall take charge.

WILL SELL WALSH STOCK

Judge Kohlsaat, in the United States circuit court, has directed that \$11,000,000 of common stock of the Southern Indiana Railway Company be sold after ten days unless defaulted bonds and interest amounting to \$4,762,777.76 be paid. This is one of the lines promoted by John R. Walsh, but now included with the Chicago Southern in a reorganized company called the Chicago, Terre Haute and Southeastern, controlled in large part by local banks.

Max H. Whitney was appointed special receiver to sell the property. The decree of foreclosure was entered in the suit of the Girard Trust Company of Philadelphia, which loaned the railroad \$4,000,000 in July, 1905, taking as security a lien on its \$11,000,000 stock.

The present action is merely in the direction of learning the title to the property as reorganized, the stock to be sold having no value to anyone else.

CLEARING HOUSE ELECTION

The following officers have been selected to guide the destinies of the Houston Clearing House for the ensuing year, the change to take place May 1st. J. E. McAshan, president; H. R. Eldridge, vice-president; E. Raphael, active manager. The newly elected president, Mr. McAshan, takes the place of H. S. Fox, who has resigned on account of ill health. Mr. McAshan, the new president, is vice-president of the South Texas National Bank and is prominently identified with the business interests of the city.

DENVER BANKER IN TOWN

Vice-President Allen Farrell Ayers of Continental Trust Company, Denver, was a visitor at Fort Dearborn National the fore part of the week. Denver has passed almost entirely through its dull period, according to Mr. Ayers, and is enjoying the usual spring activity. Colorado continues to absorb a large immigration and finds this a source of prosperity.

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We offer at par and interest a Two Year 6% Secured Note of a prosperous public utility company operating in ten rapidly growing communities. The security for these notes represents an actual cash investment equal to 165% of the total issue.

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Guaranty Trust Company of New York

28 Nassau Street

Capital \$5,000,000 Surplus \$18,000,000
Deposits - \$133,000,000

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - - \$1,500,000
Surplus and Profits 500,000
Deposits - - 21,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908\$ 9,887,954.84
February 5, 1909 11,617,691.24
March 29, 1910 15,041,357.21
January 7, 1911 16,736,997.29
March 7, 1911 21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Farwell Trust Company

CHICAGO, ILLINOIS

DEALERS IN

BONDS

CORRESPONDENCE INVITED

ILLINOIS BANKING NEWS

By C. C. Burford

Fishermen have found the body of the late Robert Newton of Ottawa in the Illinois River at Depue. Newton was a former banker of Ottawa and Aurora and had also been in the banking business at Billings, Montana. Financial troubles caused him to leap into the Illinois River at Ottawa on the night of January 31st after several days of brooding over his losses. The body had been in the water for about ten weeks. Newton was in life an enthusiastic horseman and for a number of years was presiding judge of the grand circuit of the American Trotting Association.

Farmers Pool their Interests

Farmers of Cumberland and Coles counties have signed an agreement pledging themselves not to raise broom corn for five years unless the dealers will guarantee them a price to exceed \$120 a ton in advance of planting. For twenty years the two counties have been the broom corn center of the country. The crop of broom corn in the vicinity of Areola and Charleston is the staple crop, and the bankers in that region watch the fluctuations of the crop with the greatest interest.

Millikin Estate will Build

A large addition will be built this season to the Millikin National Bank building in Decatur this season. The trustees of the Millikin estate are now working with the architect and a first-class structure in every particular will be erected. The new building will be seven stories high—the same height as the original building. Above the second floor the tenants will have the privilege of planning their own rooms and it is needless to say that the new building will be desirable to those who will occupy it.

School Savings Plan Abandoned

The board of education of Canton has decided to discontinue the school savings bank

system. One of the school principals of that city absconded with over \$100 of the savings fund and the school directors have decided to make good the shortage out of their own pockets and to abandon the plan. An attorney was consulted who told them that the district school funds could not be used to reimburse the children and rather than see them lose, the members of the school board have made good the loss.

The school savings bank system was started in Canton during the school year of 1909-1910 and the funds were divided among the First National, the First State, and the Canton National Banks. All savings accounts held by school children in these banks have been ordered withdrawn. Other cities, especially Rock Island and Kankakee, have tried the plan

and the latter especially has found it very successful.

Illinois Notes

A new state bank has been organized at Argenta, a few miles northeast of Decatur. It is known as the Gerha State Bank and the incorporators are S. Gerha, P. E. Gerha, and L. O. Hilbrant. The capital will be \$25,000.

The date for the meeting of Group Six at Charleston has been set for Wednesday, May 10th. Secretary Glassco is anxious for a large representation of Group Six bankers to be present. The business session will be held from nine in the morning until noon, followed by luncheon and an automobile ride.

The Farmers Bank of Downs, near Bloomington, has been reorganized and the capital increased to \$25,000. J. D. Downs is the president, J. R. Carlisle is vice-president and E. B. Lanier is the cashier. A new bank building will be erected this spring.

The Hergets of Pekin have sold their elec-
(Continued on page 13)

THE HANCHETT BOND CO., Inc.
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GUARDIAN TRUST COMPANY OF NEW YORK
CAPITAL & SURPLUS \$1,000,000
Pays a rate of interest consistent with good banking

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F. G. FARRELL & COMPANY, Bankers
Successors to First National Bank
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Correspondence Invited

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Capital and Surplus \$300,000 Deposits over \$3,000,000.00
Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms
WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.

Fidelity and Forgery BONDS **National Surety Company** **Joyce & Company**
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Charles G. Dawes, Resident Vice-President
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THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,430,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President

Henry B. Bartow, Cashier

John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

Deposits over - - 24,000,000

OFFICERS

L. A. GODDARD, President

JOHN R. LINDGREN, Vice-President

HENRY A. HAUGAN, Vice-President

HENRY S. HENSCHEN, Cashier

FRANK I. PACKARD, Asst. Cashier

C. EDWARD CARLSON, Asst. Cashier

SAMUEL E. KNECHT, Secretary

WILLIAM C. MILLER, Asst. Secretary

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IF YOU HAVE NO CORRESPONDENT IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



Schuette's Reply

By John Schuette of Manitowoc, Wis.

The Commercial West, of Minneapolis, says: "The scheme to guarantee bank deposits, which is said to have originated in the busy brain of John Schuette of Manitowoc, Wis., and was later taken up as a national political issue by the Nebraska rainbow chaser, seems to be a failure; at least it has failed in Oklahoma."

I deny the failure emphatically, as it has proven a success. What was the primary object of the guaranty law? It was to protect the depositors, prevent bank panics, and force bankers to do safer banking. This the law has accomplished. Under it not a dollar has been lost to a depositor. There has been no bank panic even when the largest bank failed, and the laws have been and are being perfected on a sounder basis by the aid of the bankers themselves. For instance, the Oklahoma law limits the number of banks, the loans, the deposits, the interest rate on deposits, and has other safeguards which are lacking in most states.

In Wisconsin new banks are springing up like mushrooms without limit, mostly with \$10,000 capital. They may receive a million dollars deposits, and pay 6 per cent interest without hindrance. This could not happen in Oklahoma.

Although the banks were unfortunate by the failure of one of the largest banks, and had to be assessed to an abnormal amount to make good such loss, yet, if the banks will not retreat and will take courage after this first great loss, I feel assured that they will succeed. All insurance companies have their losses by spurts.

While I am more than ever convinced that the principle of deposit insurance is sound, and the only bank panic preventive, I admit that if adopted by a single state it has not the chance of such immediate success as were possible if adopted by the entire nation.

I had printed an article "State vs. National

Bank Insurance," pointing out these advantages. It is about the same as if a fire insurance company would confine its risks to a single city, then, by an unusually heavy loss it might be disastrously affected, while, if it had its risks distributed over many cities, such loss would be but ordinary.

For these reasons I always discouraged state bank deposit insurance, except when the legislature of Wisconsin had a general deposit insurance bill under consideration. I advised to limit the insurance to any one depositor to \$500. This would make the insurance safe without the least doubt and the cost to banks insignificant; eliminate the small depositors from bank runs, meet the postal bank's \$500 guaranty, and would still leave to the large bankers the superior confidence they may believe they enjoy over their smaller competitors. From time to time this limit could be increased.

The Oklahoma law has completely disproved the assertion that guaranty of deposits will not prevent bank runs.

The special committee sent to Oklahoma to investigate (nearly all unfavorable to the guaranty law) reported that they were there just when the Columbia Bank and Trust Company failed and it caused no excitement nor ripple of any kind. It has also proven that the bankers, being directly interested in the safety of one another's banks, are more alert to see to it that the laws are the safest, are more rigidly administered, bank examinations more stringent, and wildcat banking eradicated.

That the insuring of bank deposits can be more easily accomplished than any other thing insurable, if largely distributed, is proven by our 47 years' history which show a loss of only 1-20 of 1 per cent or 5 cents per annum on each \$100 deposits.

Can this experience be kept up under a deposit insurance plan? Would we not have more reckless banking? I answer no and claim that, because of the very reason that each banker would be the loser by wild banking, he will exert himself to have banking safe.

John J. Arnold

At the farewell banquet to Frank C. Enright, trade commissioner to South America for the Chicago Association of Commerce, J. J. Arnold made the principal address. Mr. Arnold, who is manager of the foreign exchange department of First National Bank, is taking an active interest in the commercial association's work. He said:

"As you no doubt know, foreign banks are organized on an entirely different system and operated on an entirely different basis from those in the United States. We here have an individual banking system under which banks are capitalized according to the size of the community in which the same are operated, while the European and Canadian banks are as a rule institutions of large capitalization located in the large financial centers, through which the smaller communities are taken care of by means of filiales or branches. This naturally gives them many advantages over us. By way of illustration I need only call your attention to the fact that before our war with Spain had been brought to a close some of the Canadian banking institutions had opened branches in Havana. While we at the same time were alive to the possibilities and opportunities opened up in the West Indies, we stood practically helpless and were compelled to allow foreign banks to enter a territory which by right belonged to us. Our committee at this time is especially interested in the developing of trade with South America, and I believe that you will agree with me that one of the greatest needs at this time is better or more satisfactory banking relations with that country. This, however, applies not only to the question of banking institutions but to the development of a more satisfactory exchange market. The question as to how the banks in foreign countries take care of our international banking transactions of course is of great interest to us.

"In the European nations, like England, Germany, France, Holland, etc., we find absolute-

WILLIAM J. BURNS, President
Formerly U. S. Secret Service
Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over
\$40,000,000.00



ly no difficulty. This, of course, is due to the fact that our transactions are taken care of by banking institutions friendly to and directly interested in both the exporter and importer. In South America, however, conditions are quite the opposite, the banking business being done largely by European institutions, the managers of which, of course, are more particularly interested in the development of trade relations with their homeland. There are some purely South American banks but the principal institutions as already stated are European. From this, of course, it can be readily understood that while we find it entirely satisfactory to operate with a foreign bank when we are doing business with the country in which that bank is situated and of which it is a product, we find it quite the reverse when we come to transact business with a foreign bank located in a country where our merchants and their commercial men are natural competitors.

"In addition to the disadvantages already pointed out, we find that there is as yet no satisfactory exchange market established between South and North America due to various causes. You, of course, understand how the exchange market is established and maintained. We buy, for instance from England and they buy from us. We apply the purchase against the sale, and if the transactions balance exchange is nominally at par. If, however, we buy more than we sell it means that we must settle the difference in gold or its equivalent, and inasmuch as the actual transactions vary from time to time exchange fluctuates accordingly. This does not apply merely to exports and imports of the natural products and manufactured articles of the countries in question but the purchase and sale of stocks and bonds from one country to the other as well as the money spent by travelers are conditions which affect the shifting of balances.

"While we of course have been doing some exporting to South America and on the other hand have been importing, we have not been

in a position to apply the one against the other owing to the fact that most of our imports are effected under sterling or London commercial letters of credit and must consequently be adjusted in London exchange. One of the reasons for this method of financing the imports from South America is that the national bank act prohibits national banks in this country from accepting drawings upon them, and inasmuch as drafts under commercial letters of credit are usually drawn at 60 and 90 days' or four months' sight, acceptance of course becomes a necessity.

"In addition to this we have no established discount market such as exists in European countries. The South American banker therefore naturally finds it more advantageous to have his drawings accepted in a country where a discount market exists, which makes it possible for him to have such drafts as he may negotiate discounted at will.

"It will therefore, I think, be clear to you all that there is much room for improvement in our banking system, a fact which has long since been recognized by financial students the

world over, and has resulted in considerable agitation and discussion, however, without material results until recently when the Aldrich plan for the establishment of a central reserve association with reserve agencies has been developed.

"Inasmuch as most of the members of this committee and many of the members of the Chicago Association of Commerce are interested more particularly in the financing of exports, I think it well to call your attention to the method employed in the discounting of drafts drawn against foreign shipments. This more particularly because of the fact that in this also the conditions in South America are quite the reverse to those existing in Europe. When an exporter presents his draft drawn say at 60 or 90 days' sight on a European reimbursement, the draft in question is discounted by the American banker not on the basis of the Chicago loaning rate but is based upon the bank or private discount rate as the case may be in the country or city on which the draft in question is drawn and since the latter is invariably lower than is the loaning rate here the Chicago exporter naturally benefits to that extent. In South America, however, interest or discount rates are higher than the loaning rates in North America. If therefore a Chicago merchant exports to South America and draws in reimbursement a time draft the same would of course of necessity be discounted by the Chicago banker on the basis of the South American rate. This is made necessary by the fact that the Chicago banker cannot afford to invest in an unlimited way in such drawings and hold the same for maturity but must be in a position at all times to rediscount should the demands here make such a course necessary.

"There is no question, however, but that a development of trade relations will naturally bring about some satisfactory financial conditions. Our committee is doing pioneer work in the development of trade with South America and in this Chicago banks should not only have a part but be leaders."

If you want to buy, sell or absorb a bank

or insurance company, send for me. I will make preliminary negotiations secretly and diplomatically. Everything confidential in my office. All negotiations conducted personally. Nothing intrusted to the mail.

E. A. GRANT

901 Garfield Building, CLEVELAND, OHIO



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

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FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
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Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

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FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
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Clement C. Smith

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Business conditions in Milwaukee apparently reflect to some extent the general conditions reported as prevailing throughout the entire country. Manufacturers and merchants report a marked falling off in the sales, but in retail lines this is largely attributed to the passing of a month of unusually inclement weather. Among the larger firms, notably the manufacturers of staple products, the falling off in business is attributed to a general business depression which as yet has not assumed any serious proportions and which the majority are prone to look upon without optimistic view.

Bank clearings during the week do not show any marked decline as compared with the same date for one year ago. However, many claim that bank clearings can no longer be taken as a true indication of the condition of local business. Demand for loans at the various banks shows only about normal conditions, while money is reported fairly easy with rates steady.

Wisconsin Bond Business

Bond salesmen who have been spending much of their time among the smaller bankers out in the state report a healthy inquiry for the better grade of securities, but at the same time they say, there is "little doing."

During the past few weeks four of the largest financial institutions of Milwaukee, notably First Savings and Trust Company, Wisconsin Trust Company, Marshall and Ilsley Bank and National Exchange Bank have

been called upon to underwrite \$1,500,000 worth of bonds for the Milwaukee Northern Railway Company. The mortgage provides that \$1,500,000 shall be issued and \$2,500,000 additional bonds (making a total of \$4,000,000) may be issued at 75 per cent for the cost of extensions and additions to the property, but only when the net earnings for the preceding 12 months have been at least double the interest charges on the bonds issued and to be issued. The trustee under the mortgage is the First Savings and Trust Company. A number of smaller firms in Milwaukee immediately took up large blocks of these bonds and at the present writing, nearly all of these bonds have been taken by Wisconsin investors.

Among the financial institutions of Milwaukee this is looked upon as a favorable sign and an indication that in the future Wisconsin projects of merit will be underwritten by local companies instead of promoters seeking out side capital.

New Wisconsin Guaranty Bill

Senator Owen, the father of the Wisconsin State Bank guaranty bill, has sprung a surprise upon the bankers of this state by offering a substitute for his former bill. This substitute carries a joker at the end in the form of a clause providing for the submission to the people at the general election in November, 1912, of this bill under the referendum act.

This substitute bill also provides that "every state bank except trust company banks and mu-

tual savings banks shall, on the second Monday of January, 1913, credit on its books to the 'Depositors' Insurance Fund,' an amount equal to one-half of 1 per cent of its average deposits during the preceding year." It further provides, that this fund shall be carried on the books of the bank as a liability and to draw interest at 3 per cent per annum. Among other provisions, banks shall credit to this fund one-half of 1 per cent annually until such fund shall equal 2 per cent of the bank's deposits, at which time further assessment shall be suspended until deposits increase or the fund is depleted by withdrawals on account of failures. Not more than one-half per cent is provided for in any one year. Banks starting after the commencement of these assessments shall pay 1 per cent of their capital, such payment to be equalized with deposits at the end of year so as to make same one-half per cent on average deposits. The capital of banks must be maintained equal to 10 per cent of its deposits. In case of failures the insurance fund shall be drawn upon for an amount sufficient to fully pay all deposits which do not bear interest at more than 3 per cent. No insurance, therefore, applying to deposits drawing a higher rate of interest.

Official Notice of Bank Changes

The treasury department has announced the following changes in officers of Wisconsin banks; National, Depere, J. B. Brookman, cashier, vice W. J. Duncan; Commercial Na-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

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H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

tional, Fond du Lac, F. A. Boyd, assistant cashier; Batavia National, La Crosse. A. Hirshheimer, president, vice E. E. Bentley; E. M. Wing, vice-president, vice A. Hirshheimer, John A. Bayer, cashier, vice E. M. Wing; First National, Lancaster, L. H. Stevens, president, vice H. T. Stevens; P. T. Stevens, vice-president; C. H. Basford, cashier, vice L. H. Stevens; Citizens National, Oconto, O. A. Ellis, president, vice W. P. Wagner; First National, Weyauwega, E. L. Kosank, president, vice Ernst Kosank.

Progress of Bank Legislation

The following is a brief summary of the condition of bank legislation in this state at the present time.

The segregation of deposit bill has been killed in the assembly.

Restricting real estate loans to Wisconsin and adjoining states has passed.

The prohibition of loose leaf books of original entry in banks has passed.

Rupp's guaranty bill has been killed in the assembly.

A bill requiring all directors to be residents of Wisconsin has passed the assembly and was amended in the senate to provide for meetings of directors at least every three months instead of monthly.

A new measure has been offered in the form of a bill giving the commissioner of banking power to refuse charter to applicants, if, after a hearing of all interested parties, he decides the refusal is for the public good. This bill also provides that the executive council of the Wisconsin Bankers Association shall be notified of hearings, but gives them absolutely no voice in the decisions. This bill is not looked upon with favor by the bankers of this state as it places a great deal of power in the hands of one man and compels him to assume an unusual degree of responsibility.

Another measure promoted by the association provides a penalty for issuing checks without funds and has passed the senate and will come up for early action in the assembly.

David H. Pollock Dies in Florida

David H. Pollock, president of Beloit Savings Bank, died recently at Orlando, Fla. Mr. Pollock was born in Hebron, Wisconsin, in 1860, and was widely known throughout the entire state. Mr. Pollock was a member of the Knights of Pythias; the Royal Arcanum, the Knights of the Glove and the Modern Woodmen of America.



FRANK COLLINS
Second Vice-President Monroe National, Chicago

NEW MONROE NATIONAL VICE-PRESIDENT

The announcement of the election of Frank Collins as second vice-president of the Monroe National, Chicago, is made by the management of that growing institution. Mr. Collins is a native of Greenville, Mich., coming to Chicago at the age of 14 with his father, who was a successful railroad contractor and had much to do with the building of portions of the Baltimore and Ohio railroad. Upon coming to Chicago Mr. Collins entered the employ of John B. Sherman, then the president of the Union Stock Yards and Transit Company. He began as a freight collector and shortly afterward entered the employ of the National Live Stock Bank as exchange clerk and remained with that institution 7 years, leaving them to go with the Kenwood Trust and Savings at 47th Street and Drexel Boulevard. He was cashier of that institution until the organization of the National Produce Bank which opened in 1907, when Mr. Collins became assistant to President Wagner. When the organizers of the LaSalle Street National opened that institution, Mr. Collins was invited to become an assistant cashier and was assigned to the department of new business, traveling out from Chicago calling on the out-of-town bankers and attending bankers conventions. Mr. Collins has a large circle of banking acquaintances, both in and outside of Chicago, who will be pleased to hear of his new connection with the Monroe National.

NOTES ON NASHVILLE MEETING

The Chicago and all-western contingent probably will return, leaving Nashville, Wednesday, May 3d. The entire program of meetings and entertainment will be finished by noon of that day. On Wednesday evening the Nashville chapter will give George E. Allen a complimentary dinner. On ——— Charles H. Huttig has engaged to show F. O. Watts (a famous golfer also) that Tennessee has nothing on Missouri in some things at least.

PAUL BAYNE A VISITOR

Paul Bayne of Bayne, Ring and Company was here from New York Wednesday. He came primarily to study business conditions in the West and incidentally to inspect his company's new Chicago offices. This house has a high standing in financial circles and the local branch is developing a large business.

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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

Some difference of opinion exists among St. Louis bankers as to the monetary situation. In certain quarters it is related that certain long dormant lines are waking up, and using more money. Elsewhere there are complaints that stagnation prevails, and that the entire month has developed practically no improvement for the inquiry for funds. Certain it is, however, that money is plentiful with all the leading institutions, and there is nothing in the immediate future which is expected to drain and reduce this accumulation.

A. O. Wilson, vice-president of the State National says that the inquiry now is better than for months, and is picking up right along. The country in which his institution does most of its business has been busy enough, and has reduced its balances considerably this month. He says local sources are broadening in their demands, as well, and that relatively speaking, the State National is fairly well loaned up. George W. Galbreath, cashier of the Third National, says all the persons who have spoken to him on the subject are unanimous in pronouncing the crop prospects the best in years. This is true of bankers from Texas, Arkansas, Oklahoma, Kansas and Louisiana. Winter wheat is thriving, and in the extreme south of Texas cotton is well up. Soil conditions in the cotton belt of Texas is in better shape now than at any like period in years. "Still," says Mr. Galbreath, the tone of the money market continues quiet, and he does not look for any revival in the demand before crop needs begin to make themselves felt.

H. B. Hilliard, president of the Central National, says his institution is enjoying a fair amount of activity. The Southwest, in which that bank operates largely, is in the market for funds to some extent, and according to Mr. Hilliard, the local demand is as good as could be expected under the circumstances. Officials of the Boatmens Bank and the National Bank of Commerce say they are fairly well loaned up, but that the general inquiry, both in the city and country, continues quiet. Rates hold steady in the extreme range between $4\frac{1}{4}$ and $5\frac{1}{2}$ per cent.

Boom for B. S. Moser

Officials and employees of St. Louis financial institutions have inaugurated a campaign having as its object the election of B. S. Moser of the St. Louis Union Trust Company, and president of the St. Louis Chapter, as president of the American Institute of Banking. The national organization holds its annual convention in Rochester, N. Y., in September. Frank C. Ball of the Mississippi Valley Trust Company, is slated to succeed Mr. Moser as

president of the St. Louis Chapter. Mr. Moser will represent the chapter at the annual convention of the Missouri Bankers Association in Kansas City next month. At present the local chapter has about 300 members.

Bankers' Methods Extolled

A high tribute to the methods and acumen of bankers was paid last week at the meeting of Missouri editors at Columbia by C. L. Hobart, a prominent journalist of Holden, Mo. The average of integrity, good sense, judgment and reliability is higher in bankers, according to Mr. Hobart, than in any other line of business or profession in the United States. And this did not make reservation, even, in favor of gentlemen of the cloth. If politicians and public officials did their share in the country's economy as well as do the bankers, this would be a fine land to live in, and taxes would be much lower.

Mercantile Gets Bond Issue

Bonds for the new electric municipal electric light plant of Monette, Mo., have been accepted by the Mercantile Trust Company of this city. The bonds were voted several months ago, but proceedings were delayed by injunction proceedings. The case was decided in favor of the city and the municipal plant will be in operation soon.

Tower Grove Bank Formed

The Tower Grove Bank, a new state institution, is being organized in the Tower Grove district. It will be located at Grand Avenue and Juniata Street, in a building which will be completed September 1st. The bank will have a capital of \$100,000 and surplus of \$10,000, the stock being offered to subscribers at \$110 per share. John Schmoll, president of the Contracting and Supply Company, has been chosen by the organization committee for president. Directors will be elected from the organization committee, which includes the

following names: J. L. Hornsby, C. G. Besch, Joseph Dickson, Jr., John T. Fitzsimmons, Dr. A. H. Hamel, J. J. Kleekamp, D. C. Kerckhoff, George A. Kerckhoff, C. A. Lemp, A. R. Schollmeyer, G. H. Schollmeyer, C. F. Stark and J. A. Urquhart.

Alzheimer Takes Hopeful View

Ben Alzheimer, president of the Alzheimer-Rawlings Investment Company, who has just returned from a six weeks' business trip to the large cities of the East, speaks enthusiastically of the business outlook. "Money is easy in the East," said Mr. Alzheimer, "and the financial institutions in that section are purchasing railroad and industrial securities freely. Stock speculation is at a low ebb and general business is on a sound basis. Operators, as a rule, are awaiting the disposition of the big cases in the United States supreme court. I find in each of the cities I visited—New York, Boston, Philadelphia and Chicago—that Western bonds and securities, especially those of St. Louis, stand very high, and are in particular favor among investors."

St. Louisans in Big Deal

The Byrd-Matthews Investment Company was incorporated this week, with \$2,000,000 capital stock fully paid in, to engage in lumbering in Georgia and irrigation enterprise in Texas. The stock is subscribed largely by St. Louis capitalists and financiers of the Southwest.

TRUST COMPANIES BEATING THE NATIONALS

Figures prepared by the Boston clearing house show that since 1897 the number of national banks in that city and the national bank capital have been reduced by more than half. In the same time there has been an increase in Boston trust companies. The year 1897 was taken as a period of comparison, inasmuch as it was just prior to the extensive liquidation of the national banks, which began in 1898.

There were in 1897, either in active or partial business activity, fifty-nine national banks and fourteen trust companies. The beginning of 1911 saw the national banks reduced to twenty-three, and the trust companies increased to nineteen.

W. W. GATES VISITS NEW YORK

W. W. Gates, assistant cashier of Central Trust Company of Illinois made a business trip to New York City, last week, leaving on the Pennsylvania Special Thursday and returning on the Lake Shore Fast Mail Monday morning.

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E. C. STUART, Assistant Cashier

MICHIGAN BANKERS CONVENTION

The preliminary program of the twenty-fifth annual convention of Michigan Bankers Association, which is to be held in Detroit, June 12th-17th, has been made public through Secretary H. M. Brown. The program includes a boat trip to Buffalo and Niagara Falls, which accounts for the rather unusual length of time that the bankers will be assembled.

The delegates will meet on Tuesday morning, June 13th, at headquarters, Hotel Pontchartrain, as the guests of the Detroit bankers. The convention will be called to order by President Emory W. Clark, and that evening a banquet will be given the bankers at the Pontchartrain, at which prominent speakers will be heard. The ladies will be entertained at the theater during the evening.

On Wednesday the regular sessions of the convention will continue to be held, and trips to Belle Isle and other places of interest will be features of the entertainment. An elaborate ball will be given at Hotel Pontchartrain in the evening.

Thursday, after luncheon, the bankers and their ladies will leave for Buffalo on the "Western States," which has been chartered exclusively for the two days' convention trip. On the way opportunity will be afforded to view the Rivingston Channel, and the boat will arrive at Buffalo Friday morning. At Buffalo the day will be spent in sight-seeing and visiting Niagara Falls. The return from Buffalo will be made Friday evening for a convenient arrival at Detroit on Saturday.

BURT IN NEW RAILROAD WORK

Horace Greeley Burt, an expert engineer, and former president of the Union Pacific, has been appointed chief engineer of the commission to consider the electrification of steam railroads in Chicago. Before going to the Harriman system Mr. Burt was third vice-president as well as chief engineer of the Chicago and Northwestern, and is familiar with the situation at Chicago.

LEWIS S. HILL RESIGNS

Lewis S. Hill, president of Deseret National Bank, Salt Lake City, has resigned, and is succeeded by former Governor John C. Cutler, who is succeeded as vice-president by W. W. Riter. Mr. Hill is 75 years old. He remains chairman of the board of directors of the bank.

ILLINOIS BANKING NEWS

(Continued from page 7)

tric light and gas plants to the Economy Light, Heat and Power Company of Joliet. The consideration was close to the half-million mark. These Pekin plants were made very profitable by the Hergets. The Herget National Bank of Pekin is a well known institution.

A committee of Danville bankers headed by C. L. English, president of the First National, has been working hard on the factory fund of the Danville Industrial Club. With an abundant supply of cheap coal and the best of railroad facilities the city of Danville is working hard for the location of new enterprises. The bankers of Danville are live wires and are doing their full share of the boosting.

Adolph Wochner, cashier of the German-American Bank of Bloomington, will be married this fall to Miss Estella Schrierberg of Cincinnati. Mr. Wochner is a prominent citizen of Bloomington and he and his brothers own the controlling interest in the German-American Bank. He will erect a \$10,000 brick veneer home during the summer months.

The First National of Blue Mound, which was held up and robbed a few weeks ago, has received a draft for \$1,932 from a prominent casualty company reimbursing them for the loss sustained in their recent experience with yeggmen.

BANK STOCK QUOTATIONS

Among the more active Chicago bank stocks quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK	Book Value
Ashland State Bank.....		110	104
Austin State Bank.....	300		241
Calumet National.....	150		146
Central Trust Co.....	174	176	147
Chicago City Bank.....	188	192	145
Chicago Savings.....	136	140	122
Citizens Trust.....	165		120
City National (Evanston).....	300		229
Colonial Trust.....	183	185	179
Continental & Commercial.....	277	278	169
Corn Exchange National.....	425	427	289
Drexel State.....	154	158	116
Drovers Deposit National.....	220	228	173
Drovers Trust.....	185	190	167
Englewood State.....	130	132	122
Farwell Trust Co.....	112	115	115
First National.....	414	416	272
First National (Englewood).....	280		221
Fort Dearborn.....	232	234	132
Guarantee Trust & Sav.....	114	116	113
Hibernian Banking.....	222	225	169
Illinois Trust.....	490	495	280
Kaspar State Bank.....	260		190
Kenwood Trust.....	154	156	125
Lake View Trust.....	138	143	125
La Salle Street National.....	114	118	125
Live Stock Exchange National....	241	247	143
Merchants Loan.....	430	434	304
Metropolitan Trust.....	125	130	131
Michigan Avenue Trust.....	135	138	130
Monroe National.....	129	134	122
National Bank Republic.....	199	201	166
National City.....	199	200	124
National Produce.....	148	151	135
North Avenue State.....	137	140	135
North Side State.....	160	175	164
Northern Trust Co.....	312	316	268
Northwest State.....	123	126	112
Northwestern Trust.....	160		137
Oak Park Trust.....	235	240	190
Peoples Stock Yards State.....	218	225	137
Peoples Trust and Savings.....	177	179	130
Prairie State.....	250		115
Pullman Trust.....	158	164	188
Security Bank.....	208	215	169
Sheridan Trust & Savings.....	114	116	110
South Side State.....	143	146	106
South Chicago Savings.....	150		147
Standard Trust.....	136	137	127
State Bank of Chicago.....	377	379	228
State Bank of Evanston.....	300	312	237
Stockmen's Trust.....	115	119	118
Stock Yards Savings.....	209	214	177
Union Bank (Chicago).....	145	150	122
Union Trust Co.....	305		202
Washington Park National.....	140		108
Wendell State Bank.....	110		122
Western Trust.....	147	150	115
West Side Trust.....	235		165
Wilmette Ex. State.....	120	130	108
Woodlawn Trust.....	177	182	132

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

H. L. Jarboe, Jr., president of the Drovers' National Bank of Kansas City is a very modest man. If not he would swell with pride at the record his bank has made since his connection with it as president January 10th, last. The business of this institution recently has been phenomenal having more than doubled since January 10th.

"Naturally I am quite optimistic," said Mr. Jarboe to a representative of THE CHICAGO BANKER the other day. "I have not been in this banking territory long but I am more than pleased with the business done by the Drovers' National. The demand for money for the cattle trade is strong and we have no cause whatever to complain. I believe the outlook for crops is very bright and that spells prosperity for this part of the country."

High Living Ruins Cashier

E. F. Burns, former cashier of the Home State Bank of Tipton, Kan., has been arrested and is said to have confessed to forgeries amounting to more than \$10,000. He used this money, it is alleged, in buying motor cars and high living. Burns comes of a wealthy family and the amount of the shortage was made up. Later Bank Commissioner Dolley insisted upon the prosecution of Burns and under threat of being ousted the local county attorney caused Burns' arrest and he is now at liberty under bond. The directors of the bank refused to prosecute.

Slander Bill Becomes Law

Governor Herbert S. Hadley of Missouri has signed the so-called "bank slander" bill passed by the legislature. The one section of this law reads:

"Any person who shall make, utter, circulate or transmit to another or others any statement, untrue in fact, derogatory to the financial condition of any bank, banking house, trust company, surety company, guaranty company, title insurance company or other financial institution in this commonwealth with intent to injure any such financial institution, or who shall counsel, aid, procure or induce another

to originate, make, utter, transmit or circulate any such statement or rumor with like intent, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined in a sum not to exceed \$1,000 or imprisoned in the county jail for a period not exceeding one year or by both such fine and imprisonment."

This law is the result of agitation resulting from the common belief in Kansas City that the National Bank of Commerce of Kansas City, which closed its doors in 1907, was "talked to death."

After its failure the National Bank of Commerce was reorganized and within a very short time paid off every dollar of indebtedness and is to-day one of the soundest financial institutions in the Middle West.

Robbers are Punished

Those bank robbers who have been convicted in the Oklahoma and Kansas courts recently have been dealt with severely. Charles Koonts, who helped rob the Cotton Exchange Bank of Roger Mills county, Okla., last November has just been sentenced to forty years in the penitentiary at McAlester, Okla. R. F. Graham, who is charged with having been his accomplice and who was arrested later, will be tried in the same court next week.

Henry Bowers, arrested for robbing a box car in Ottawa, Kan., turned out to be one of the men who helped rob the bank at Hudson, Kan., several weeks ago. The bank robbers were interrupted and in flight they shot and killed Thomas Fowler, secretary of the Kansas Anti-Horsethief Association. Bowers has been convicted and sentenced to life imprisonment.

Ed Harrold, Thomas Redmond, Thomas Madden and Fred Boyd were found guilty last week of robbing the State Bank of Viola, Kan., March 7th last. These are the first convictions under the new Kansas law which provides a maximum penalty of thirty years in the penitentiary for bank robbery.

Bankers are Arrested

The closing of the Mountain Park Bank, of Mountain Park, Okla., by the Oklahoma bank commissioner, has led to the arrest of three of its officials charged with accepting deposits after they knew that the bank was insolvent. The accused officials are: R. H. Jones, vice-president; J. Will Jones, cashier, and D. C. Eagen, bookkeeper. They were released under bond. The capital of the bank was \$10,000 and it is said that the losses will be between \$15,000 and \$20,000. This will have to be made good by the already embarrassed Oklahoma state guaranty fund.

Group Meeting

Group Two of the Nebraska Bankers Association held its annual meeting at Fremont, April 23d. There was an attendance of 120 members which is the record for this group.

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In his annual address President Claridge spoke of legislative needs with special reference to the guaranty law of Nebraska. Luther Drake of the Merchants National Bank of Omaha read a paper on "The Aldrich Reserve Association." A paper on "Early Banking in Nebraska" written by J. H. Millard, was read by R. A. Wilcox. C. F. McGrew of South Omaha spoke on "currency and banking." In the evening the delegates were entertained at a banquet and many impromptu toasts enlivened the occasion.

Nebraska Bonds

Under the Potts' reinvestment law passed by the Nebraska legislature last winter, the \$4,000,000 worth of state school bonds of other states held as an investment by the Nebraska permanent school fund, have been offered for sale in order that the proceeds may be reinvested in bonds of Nebraska school districts, municipalities, drainage districts, etc. On April 20th a portion of these foreign school bonds were offered for sale as the first installment, but all bids were rejected with the exception of Alabama and California school bonds. All members of the state board were present at Lincoln with the exception of Governor Aldrich, when the bids were opened. Of the ten firms that submitted bids only five had agents present. Six bids were received for \$100,000 worth of Alabama bonds, two on \$100,000 worth of Minnesota bonds, one each on \$20,000 worth of Delaware bonds, \$23,000 of Idaho and \$50,000 of North Carolina bonds and two bids on \$4,000 worth of Tennessee bonds.

Southwestern Notes

The National Reserve Bank of Kansas City is to have a new president after May 1st. G. M. Smith has tendered his resignation as the head of that institution and will devote himself to private investments. He has recently returned from South America where he has extensive interests. Mr. Smith's stock in the National Reserve Bank has been bought by J. T. M. Johnston, chairman of the board of directors and it is believed that Mr. Johnston will succeed Mr. Smith as president.

In the federal court of Tulsa, Okla., it was decided last week that there is no immunity under the law for those who seek to evade payment of brokerage charges in dealing in margins. The suit was brought by the General Brokerage Company of Houston, Fible and Company of Kansas City, against Ola Whilite of Bartlesville, Okla. The amount involved was \$2,431 and the case is deemed

important only because of the wide application of the principle involved.

After ten years of operation as a state bank, the Bank of Wellston, Okla., has become nationalized and will be known hereafter as the First National Bank of Wellston. It is one of the most reliable financial institutions of Northern Oklahoma and it is said that the change was made because of dissatisfaction with the Oklahoma bank deposit guaranty system.

The Bank of Commerce of Hominy, Okla., has increased its capital from \$15,000 to \$25,000. The directors are: E. C. Mullendore and S. A. Bryant, Jr., of Cleveland; C. Mullendore, L. D. Edginton, G. N. Lockhart and G. L. Edginton of Hominy and J. C. Lockhart of Eskridge, Kan.

The Citizens State Bank of Sentinel, Okla., will become the First National Bank of that place about May 1st, and will increase its capital from \$20,000 to \$25,000. Alva J. Niles, formerly adjutant general of Oklahoma, will be president; J. W. McNeal, of Guthrie, republican candidate for governor in the last campaign, and E. D. Foster of Thomas will be

vice-presidents, and J. W. Lambright of Sentinel will be cashier.

Carl M. Spencer, formerly assistant in a Des Moines national bank, has just been released from the federal prison at Leavenworth, having served three years for alleged violation of the national banking law.

The Bank of Dover, Dover, Okla., has announced an increase of its capital stock from \$10,000 to \$20,000. Its directors are: M. A. Mitchell, C. B. Sherwood, C. D. Mauk and C. J. Sherwood of Dover; W. A. Mitchell of Kingfisher; S. Gilchrist of Kiel; L. F. Gilger of Fairview; J. R. Nanninga of Falls City, Neb.

Governor Cruce of Oklahoma has honored the requisition for Hugh A. Burrell, former president of the Peoples State Bank of Brownston, Ind., who is wanted in Jackson county, Ind., on a forgery charge. He is alleged to have forged the names of M. B. Singer and A. M. Singer to a note for \$3,120 in favor of the Peoples State Bank on July 5, 1900.

Dr. J. T. M. Johnston of the Reserve National Bank of Kansas City, will go to Wichita this week to address the First Baptist Men's Bible Class. While in Wichita Dr. Johnston will be the guest of C. Q. Chandler, president of the Kansas National Bank of that city.

Thornton Cooke, treasurer of the Fidelity Trust Company of Kansas City, has been seriously ill for the past week but is much improved.

Kansas City school bonds to the extent of \$350,000 were sold last week to O. P. Wright & Company at par. These bonds are the last of the issue of \$750,000 authorized a year ago for additional school buildings.

Among the visitors in Kansas City's financial district last week were: Boone D. Hite, cashier of the Anadarko State Bank, Anadarko, Okla.; Burnett Hughes, cashier of the J. S. Hughes Banking Company, Richmond, Mo.; and J. A. Jones, president of the First National Bank of Bristol, Okla.

James Graham Cannon, president of the Fourth National Bank of New York, is scheduled to make a tour of the Central West about the middle of May as the guest of various local associations of credit men. He will come directly from New York to Omaha and will address the credit men there. President John Duff, of the Omaha Credit Association has appointed a committee to look after Mr. Cannon upon his arrival.

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Editorial Comment

ANOTHER FEATHER IN BURNS' CAP

Again W. J. Burns has accomplished a capture of national importance. Bankers well remember the Los Angeles Times explosion which happened just on the eve of the American Bankers convention in that city. On motion of Mr. Huttig of St. Louis \$5,000 were appropriated by the association for immediate relief of the sufferers. More than a score of persons had been killed and twice that number badly injured. W. J. Burns of the Burns' National Detective Association, was put on the job and rewards offered soon reached \$100,000. Mr. Burns has said at all times, "I'll get them yet," and the papers tell how he kept his word. By evidence and confession it will appear that the real criminals, or some of them, guilty of more than sixty explosions by dynamite, have been captured. One of those arrested is said to have confessed that he and his associates have, as wreckers, destroyed property to the value of \$3,500,000 and have taken the lives of 112 persons. The trial will be a test again of the American jury system, experience having shown that such convictions are hard to obtain. Burns has again demonstrated his ability and the honesty and efficiency of his association.

He already has more big cases to his credit than any living man and the American Bankers Association has been vindicated in its determination to have in charge of its protective features the best the world affords. There are a few bankers and one or two secretaries of state associations who still live in the past. Let this case be what the revivalist calls their "great awakening." Departed glories and present capacity are not able to cope with cunning, daring and desperate criminals. Keep your eye on Burns.

TRADE OUTLOOK FAVORABLE

A favorable agricultural and trade outlook animates the entire country. It would be hard to imagine better primary conditions than those prevailing. There is ample ground for optimism in all lines of trade as well as among owners and tillers of the soil. There is the same encouragement in all sections of the country.

Larger crops than those of last season seem to be assured. This is true of wheat, corn and cotton. It may be that prices for farm products will be forced to a lower level, but it is a fair presumption that there will be no great distress so long as the country has successful crops and an abundance of money. Averaging up reports from all the crop growing districts the conditions are favorable beyond the average, and this includes not only the condition of growth, but the acreage being devoted to the several principal crops.

The general curtailment of manufacturing suggests that the nation has been going too

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SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

fast in the matter of production. Retrenchment along certain lines is natural and wholesome, especially in view of probable tariff changes.

GOVERNOR WILSON HAS MADE GOOD

In these days when promises of political reforms pass with other extravagances of the campaign it is refreshing to contemplate the fidelity with which Governor Woodrow Wilson of New Jersey kept to his pre-election agreements. Much was expected of him and the docket of expectations has been satisfied. The Chicago Record-Herald, a profound republican and fair minded newspaper has reviewed editorially the fifteen weeks' session of the New Jersey legislature "with its extraordinary constructive and progressive record." It calls attention to the fact that Governor Wilson with his known modesty gives all the credit to the legislature taking no share of the glory for himself or for "the energy, directness, tact, fairness which he displayed in urging legislation, fighting tricky reactionaries and subordinating partisan and personal considerations to the question of keeping faith with the people."

The Record-Herald closes with this tribute:

Governor Wilson has redeemed his campaign promises. The major bills of the session have been enacted into law, in spite of machine obstruction and malicious misrepresentation. The good men in the legislature cordially worked with the governor; the others were generally forced to vote for progressive measures by his policy of "pitiless publicity" and candid dealing. The acts which will make the session memorable cover employers' liability, corrupt practices, primaries and elections, and control of public utilities. They are advanced and comprehensive, if to some extent experimental. New Jersey has been rehabilitated and freed, and her "academic" governor's contribution to that result has made him a national figure.

This, then, is the man whom the Illinois bankers have chosen for chief orator at the Springfield meeting in October. President Crabtree is being congratulated for his enterprise in going after the top notchers in the speaking line. Governor Wilson made an address to the delegates to the Denver A. B. A. convention, one of the best in the long line of able orations brought out by this association. The attendance and its chief orator will give the Springfield meeting national significance.

CONTROL OF UTILITIES

After a long and careful investigation W. J. Hagenah, the expert employed by the city of Chicago to make a valuation of the property of the Peoples Gas Light and Coke Company for rate-making purposes has made his report and has named 78 cents as a proper figure for the municipality to pay. The present rate is 85 cents and Mayor Harrison demands that 70 cents shall be the maximum figure. Protracted litigation is likely to follow this agitation.

This is the third effort in ten years to fix the price of gas in Chicago below 80 cents, the New York price. In Mayor Harrison's last previous term the council passed a 75-cent ordinance, which the company took into court. In the long litigation that followed the city was defeated.

Convention Dates

- LOUISIANA—Baton Rouge, May 2 and 3; Secretary, L. O. Broussard, Abbeville.
- FLORIDA—Ocala, May 10 and 11; Secretary, Geo. R. DeSaussure, Jacksonville.
- MISSISSIPPI—Greenwood, May 10 and 11; Secretary, Richard Griffith, Vicksburg.
- NEW JERSEY—Atlantic City, May 12 and 13; Secretary, Wm. J. Field, Jersey City.
- TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.
- OKLAHOMA—Oklahoma City, May 22 and 23; Secretary, W. B. Harrison, Enid.
- MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.
- KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.
- TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.
- MASSACHUSETTS—Swamscott, June Secretary, G. W. Hyde, Boston.
- SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.
- GEORGIA—Tybee Island, Ga., June 8 and 9; Secretary, L. P. Hillyer, Macon.
- WEST VIRGINIA—White Sulphur Springs, June 11 and 12; Secretary, J. S. Hill, Charleston.
- IDAHO—..... June 12, 13 and 14; Secretary, L. A. Coate, Boise.
- MICHIGAN—Detroit, June 12 to 17; Secretary, H. M. Brown, Detroit.
- PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.
- CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.
- IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.
- VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.
- MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.
- MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.
- CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.
- NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.
- NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.
- NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.
- OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.
- WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.
- NATIONAL CONVENTION—American Institute of Banking, Rochester, New York, Sept. 7, 8 and 9.
- ILLINOIS—Springfield, October Secretary, R. L. Crampton, Chicago.

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A NEW JUVENILE FOR BOYS

A brand new book for boys, entitled "Those Smith Boys," has issued from the press of R. F. Fenno and Company, New York, to be added to their regular juvenile series. The author, Howard W. Garis, wrote the Dick Hamilton series, and a dozen other books which captured an army of youthful readers. It is nearly certain that "The Smith Boys" will make a hit as the stories relate gayly the fun, frolic and adventures of three very lively young Americans. Full page illustrations are in color. Price \$1.25 at all book stores.

"THE CAMERA FIEND"

After Conan Doyle's thrilling detective stories, E. W. Hornung's come as a pleasing change, not that they will not keep the reader up into the wee small hours of the night with that delightful, creepy sensation that is so pleasant to experience, but because the characters are not mere, mechanical, thinking human beings, but are live, flesh and blood people with marked individualities and a power to feel. Mr. Hornung's previous detective stories are "The Amateur Cracksman," "Raffles," and "The Shadow of the Rope." In "The Camera Fiend" he presents to the reading public a rather new specimen of humanity. There are all sorts of eccentric people in the world but one soon discovers that a camera fiend, when riding his hobby, may be almost, equally, if not the most eccentric of them all. The plot is woven around Doctor Baumgartner, whose particular delusion in the limitless possibilities of his camera is spirit photography, and young Upton, whose mysterious disappearance causes the employment of almost every available detective by the distracted family. Between the doctor who is attributed with many happenings because of his

obsession by this one idea and his attempts to realize it, the mysterious camera, and the efforts of Upton's friends at rescue, the tale is unflagging in interest, nor is the dread secret of the camera revealed until the every end. There is a slight romance connected with the story that will relieve the tension when the situation becomes very tense. For a splendid detective and mystery story, and good detective stories are scarce, read "The Camera Fiend" and you will like it. It is published by Charles Scribner's Sons, New York.

PRESIDENT OF SIX BANKS

W. P. Holland of Clarksdale, Mississippi, has the distinction of being president of six banks, besides controlling a seventh. That these institutions are in a prosperous condition is shown by the following statistics:

Planters Bank, Clarksdale, Mississippi, capital \$100,000, surplus \$185,000, bid \$500 per share, asked \$600.

Clarksdale Savings Bank, Clarksdale, Mississippi, capital \$10,000, bid \$350 per share, asked \$450.

Exchange Bank, Friars Point, Mississippi, capital, \$25,000, bid \$175 per share, asked \$200.

Bank of Ruleville, Ruleville, Mississippi, capital \$45,000, bid \$100 per share, asked \$110.

Bank of Shaw, Shaw, Mississippi, capital \$30,000, surplus \$5,000, bid \$140, per share asked \$150.

Bank of Hollandale, Hollandale, Mississippi, capital \$12,500, bid \$150 per share, asked \$175.

Cotton Exchange Bank, Cleveland, Mississippi, capital \$35,000, bid \$125 per share, asked \$175.

Mr. Holland heads all except the last named bank. He is willing to buy any of the above banks' stocks at prices bid, in case anybody offers them for sale.

FRANK T. RANSOM A VISITOR

Frank T. Ransom, president of Union Stock Yards National Bank, Wichita, Kan., who is well known in Chicago banking circles, was a visitor at National City Bank Monday. Wichita is one of the best little cities of the West and Mr. Ransom told of the improvement of business incident to spring and said prospects in the agricultural section could hardly be better.

Union Stock Yards National Bank is capitalized at \$50,000, and Mr. Ransom reports a very satisfactory line of deposits covering the short time they have been in business. E. A. Cudahy of the Cudahy Packing Company is interested in this bank.

Mr. Ransom says that Northern Oklahoma, Southeastern Kansas and the Panhandle of Texas have had good rains this spring, and the present conditions are most favorable for a corn crop, which will result in the feeding of a big line of cattle for that section of the country.

Mr. Rankin began his banking career with the old Tootle-Lemon National Bank of St. Joseph, Missouri, and has had broad banking experience at both St. Louis and East St. Louis. He took a lively interest in the matter of developing the group system while traveling in Illinois for the Stock Yards National Bank of East St. Louis.

LIPPINCOTT'S FOR MAY

Another notable complete novel—"The Luharcin Case"—by Edith Macvane, is the headliner in Lippincott's for May. Miss Macvane wrote "The Duchess of Dreams," "The Adventures of Joujou" and other popular fiction. A dozen short stories by the best known authors complete the number.

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INVESTMENT SECURITIES

CONTINENTAL AND COMMERCIAL ISSUES BOOKLET

The campaign for monetary reform was conspicuously opened this week in Chicago by the mailing out of 30,000 copies of a booklet on the Aldrich plan, by President George M. Reynolds of the Continental and Commercial National. In his introduction Mr. Reynolds says:

"No plan has been more carefully studied by intelligent business men nor more generally approved by currency experts, as a whole, than this wonderfully ingenious proposal, submitted to the national monetary commission by its chairman January 16th last."

The authorized capital of the Reserve Association of America of \$300,000,000 is discussed as follows:

"If all the banks in the federal system should become affiliated with the Reserve Association of America they would subscribe for just about two-thirds of the Reserve Association's maximum capital stock, or \$200,000,000. That sum would be 20 per cent of the total capitalization of all the national banks, which stands to-day at virtually \$1,000,000,000. Such a subscription would still leave \$100,000,000 to be taken by the new national banks or by those that exchange state for federal charters. Only half of the capitalization, whatever it was, would be paid in at the start."

In order to show that no one bank, or number of banks, can secure an undue influence in the direction of the central Reserve Association, the following paragraph appears:

"It is important to remember that no bank could ever subscribe for any other amount of the Reserve Association's capital stock than would be represented by a one-fifth interest in its own capital stock. It would be illegal for any single bank to become interested in the stock of the Reserve Association to any greater or lesser extent. This restriction absolutely precludes any one bank from gaining a dominating influence over the affairs of the Reserve Association of America."

FLORIDA BANKERS PROGRAM

Florida Bankers Association will observe this program at the annual meeting May 10th and 11th at Ocala:

Meeting will be called to order Wednesday, May 10th at 4 P. M., by President C. W. Lamar.

Invocation by Rev. W. H. Dodge.

Address of welcome by L. W. Duval.

Response to address of welcome by E. D. Walter.

Address by C. W. Lamar, president of association.

Enrollment of members present. Report of the secretary and treasury. Five minute talks by members.

Night session to be called to order at eight o'clock.

Report of committee. Unfinished business. New business. Report of nominating committee. Elections.

At 8:30 A. M., Thursday, the members will

take automobiles to Lake Weir, then motor boats to Eastlake to the Goodwin bungalow, where a business session will be held, at which five minute talks by members will be made, and any matters discussed which may be of interest to the members, after adjournment a buffet lunch will be served.

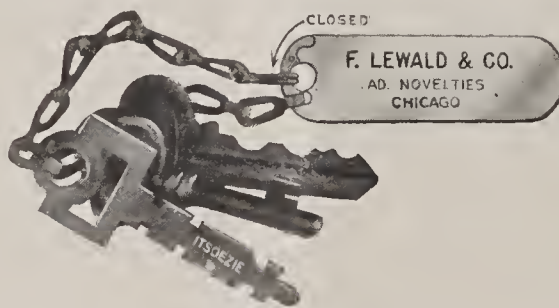
The afternoon will be spent in motor boat rides about the lake or in loafing about the Goodwin bungalow, orange groves and beach.

At five P. M., a special train will leave for Ocala, reaching there at about six P. M.

Banquet will be held at eight P. M., and Judge W. S. Bullock will act as toastmaster.

BANKING AND SAFE DEPOSIT ADVERTISING

Many of the most progressive banks and nearly all of the safe deposit companies present their customers with some sort of a souvenir as a matter of clever advertising. A chain tag for carrying keys and bearing the owner's registered number probably is the most acceptable thing which can be handed to a customer. The tag is a blind registry and does not indicate whose doors or desks the keys will fit. They are returned to the bank or safe deposits company which at once notifies the owner. One of these chain tags is



called "Itsoezie." This tag bears a special patented locking device different from and much better than any other which has been submitted to us for examination. It positively will not come open. A pull on the chain only locks it more tightly, yet keys can be removed almost instantly without the aid of any device. The tag is made of German silver and will never change its color. The chain is of the woven lock pattern and cannot be broken. Bankers have found that customers like a chain very much better than a key ring since it is flexible and conforms to any position which the keys may assume in the pocket.

The new chain tag to which we refer is being marketed by F. Lewald and Company, dealers in advertising novelties in this city. In quantities the price is so low that there should be no hesitation among those in search of something new and acceptable, which at the same time is a good and lasting advertisement.

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GROUP FIVE, ILLINOIS, PONTIAC, JUNE 7th

John J. Doherty, cashier of the First National of Dwight, and secretary of Group Five, Illinois Bankers Association, visited Chicago Tuesday and reports that their president, Colonel Frank L. Smith and Mrs. Smith who sailed on the Lusitania several days ago, reached Liverpool on the 24th. They will make a motor trip through several European countries, particularly France, and expect to be at home again in about eight weeks.

Mr. Doherty says that the members of Group Five will meet at Pontiac June 7th and that at the morning session it is their expectation that the members will register, committees will be appointed, reports of the year's work made, and new officers elected for the ensuing year. The afternoon session will be attended by the land-owning farmers, stockholders, directors and officers of banks who are interested in the land subject, as well as the leading men and women of the country interested in educational matters. Dr. W. E. Taylor, soil expert for Deere and Company of Moline, will address this session, also W. G. Edens, secretary of the committee on agriculture and vocational education of the association.

FOREIGN EXCHANGE

Foreign exchange is quoted as follows: Demand London, 4.86½; 60 days' sterling, 4.84½; demand Germany, 95⅛; 60 days' Germany, 94⅝; demand Paris, 5.20; 60 days' francs, 5.21⅞.

The foreign discount market remains practically unchanged, the private rate in London being 2½ per cent; in Germany 3 per cent and in Paris 2¼ per cent.

A. L. ORDEAN IN CHICAGO

President A. L. Ordean of First National of Duluth was a visitor at Continental-Commercial Wednesday. Mr. Ordean is one of the leading financiers of the Lake Superior metropolis. He makes a favorable report of business conditions.

INTERIOR BANKERS HERE

M. Ozmont of First National, Johnston City, Ill.; W. J. LaTeer, Paxton, and Stuart Duncan, LaSalle State Bank, were visitors at Chicago banks the fore part of the week.

W. C. COOK IN TEXAS

Vice-President Wm. C. Cook of Western Trust and Savings Bank is on a business trip to Texas.

The State Bank of Giltner, Neb., twenty-five miles south of Grand Island, was robbed early on the morning of April 23d. The building was badly damaged, the safe wrecked and between \$1,300 and \$1,400 was taken. The robbers escaped.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Financial Aspect of the Cold Storage Business

Charles E. McNeill, secretary of the National Poultry, Butter and Egg Association and vice-president of Eck, McNeill & Company, Chicago, delivered an address before Chicago Chapter American Institute of Banking Tuesday, April 25th in the course of which he said:

On behalf of the members of our trade I wish to say that we appreciate very much this opportunity of laying before such an intelligent and progressive body of men, the coming bankers of our great city and of the country at large, the facts as we know them regarding the cold storage business, a business that is being unwisely attacked by legislators and others in the various states mainly because of their ignorance of the subject in question.

Although something over fifty different articles of foods are subjected to cold storage, I shall confine myself to only those lines in which my colleagues and myself are directly interested viz.: butter, eggs and poultry.

In the first place, what is a public cold storage? Some people have an idea that it is a dark, dismal sort of a dungeon wherein are stored for indefinite periods running in some instances into many years, food products of uncertain age, condition and quality. Nothing could be further from the truth. A public cold storage is a large scientifically constructed warehouse mostly of fire-proof material and divided into rooms of various sizes, and cooled by refrigeration to varying temperatures. Each room is a box within a box and the space between is insulated with cork, mineral wool, etc., to help keep out heat or cold and to preserve an even temperature. These rooms are of necessity kept absolutely clean and sweet as a cold storage's patronage depends upon how well it carries its customers' goods. The temperature varies according to the goods carried. Poultry and butter for instance are held at 10 to 12 below zero, eggs just below freezing point, but there is practically no variation in the set temperature of the different rooms during the time one's goods are being carried.

The rate on butter for the season which ends January 1st, is one-half cent per pound, or 30 cents per tub of 60 pounds, while on eggs to the same expiring date the rate is 30 cents per case and on poultry a straight one-eighth of a cent per pound. After January 1st, butter pays one-eighth of a cent per pound per month and eggs 5 cents per case. You can readily understand that when you add to this charge of storage the additional insurance and the interest on the money invested in the goods there is no profit in carrying these products year after year as has been so often charged in the public press of the day even if it was possible to do so, which it is not. In the case of eggs, for instance, they must be sold inside of a year regardless of cost or market conditions because they will not carry any longer to advantage, as they have a very strong taste.

The principle of cold storage is to store in the season of greatest production the excess supply of butter, eggs, poultry, etc., over and above the consumptive wants of the trade in order to provide a reserve stock to draw on in the season of scarcity or lightest production. It is possible that at times speculators have taken more than the actual over-supply from the con-

sumers but not to any very appreciable extent for the government figures show that of an egg crop totaling in the neighborhood of 60,000,000 cases a year not over 8 per cent goes into storage; of the crop of butter not over 6 per cent, while poultry runs about 4 to 5 per cent.

Chicago is the greatest cold storage center in the country, its location enabling shipments being made from here to any and every direction. Our storage capacity exclusive of the stock yards is larger than that of any two other cities. The amount invested in these plants exceeds \$7,000,000.00 which gives you an idea of the extent of the industry in this city alone. Here annually are stored some 1,500,000 cases of eggs in the downtown district, about 30,000,000 pounds of butter and not all of these goods are held by the local dealers but because of our convenient location and the large outlet we have for storage products to all parts of the country and even to the old world, a great many outside people especially those East and South store butter, eggs and poultry in this city. A blow at the storage industry therefore would affect not only the local trade but our standing as a world market in these products.

The storing of eggs commences the latter part of March and continues up to October. The months of great production are April and May. Eggs as a rule are at their finest in the month of April, the weather then on an average being neither too cold nor too warm. Considerable storage is also done in May and June. Some July eggs go in for a short hold while September and October eggs stored are to take the place of fresh eggs which are hard to get during the last months of the year. It is not the city storage eggs so much as the country held egg, the one that is kept in a cellar, in salt, oats, lime, etc., and then shipped in after several months as fresh laid that prejudices the consumer against eggs. A good storage egg is far superior to any so-called fresh held on the farm or by the country storekeeper.

The finest quality butter is made in June and the largest production as a rule is that month. The weather conditions, the pastures, etc., all favor the making of the highest grade goods. Storing continues during the months of July, and August with some butter put away for short hold in September and October. After that we commence to withdraw our holdings to make up for the falling off in the reception of fresh goods and by April 1st following stocks in storage in any ordinary year are nearly cleaned up. It is seldom that any butter is carried over, but we enter on the new crop with bare rooms.

The same process holds good on poultry. We begin to store broilers in the summer months, the season of largest and best production and carry it along during the fall and winter months on the various kinds of poultry as they become properly matured. Turkeys are at their best in the month of December and in early January and therefore the heaviest storing is done at that time. You cannot get a marketable supply of fresh broilers the year round and you cannot get a fine turkey excepting during a short six weeks or so when they are at their best, therefore you must look

to the storage house for them or else go without.

Now what has all of this to do with the banks? I want to show you gentlemen that the banks are very much interested in the cold storage business because at least 75 per cent of the goods stored are carried on margins, the balance of the cost being supplied as a loan by either the cold storage with which we are doing business or our bank. The cold storage houses in turn borrow from the banks, so that it all means the same thing, you are the people who either directly or indirectly supply us with the millions of dollars necessary to carry on this business.

Cold storage warehouse receipts on butter, eggs and poultry are generally considered to be good security and these loans a profitable investment, but in order for this business to continue on a sound business it is imperative that it shall not be hampered or restricted by unwise or ridiculous legislation such as the Lodge Bill Calendar No. 1189, Senate No. 7649 introduced at Washington by Senator Heyburn of Idaho which limits the holding of butter, eggs and poultry in storage to three months. Under the provision of this bill eggs stored the first of April would have to be out of storage July 1st, when the receipts are still so heavy that we have to put some eggs away to relieve the congestion. With such a law in force eggs would be cheap in the flush of the season that the producer would have no inducement to continue in the business while in the season of lightest production the price would drive them from the table of the average consumer. So with poultry and so with butter.

Furthermore no banker or bank would care to loan money on such uncertain security as warehouse receipts under these conditions and a source of profitable outlet for your idle capital would be cut off. In that connection the stability and prosperity of our business is a matter of more than passing interest to you.

If we must have storage regulation by legislation, and I do not concede the necessity of it at all, let that legislation be sane and practical. We are in favor of it for the sake of allaying the prejudice that now exists against cold storage products, but any such bill as that introduced by Senator Heyburn if allowed to go on the statute books would close every public cold storage house in the country.

Our sister country to the north shows its appreciation of the benefits of cold storage by subsidizing the erection of new warehouses to the extent of \$30,000 on each \$100,000. This is paid in annual installments of \$3,000.

Let us take a lesson from Canada and instead of destroying a most necessary industry let us urge upon our senators and representatives to kill the bill in question and to enact only such laws as will foster and encourage the cold storage business along proper lines so that the producer may have a fair return for his output at all seasons of the year and the consumer be enabled to procure at an equitable price those necessities which would otherwise become luxuries.

The senate of Colorado has passed the state bank deposit guaranty bill.



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PITTSBURGH CHAPTER

On Tuesday evening, April 25th, Pittsburgh Chapter American Institute of Banking held the first meeting in its new quarters on the fourth floor of the Jenkins Arcade Building. Befitting the occasion it was in the nature of a "housewarming" with special features of entertainment and instruction. Joseph G. Ralph, director of the bureau of engraving and printing at Washington, was the speaker of the evening and his subject was "Making Uncle Sam's Money." Luncheon was a feature of the occasion.

Pittsburgh Chapter has long felt the need of more centrally located quarters which will be at all times at the disposal of its members. In addition to the library and assembly hall, a room is to be fitted up with a billiard and pool table where members may enjoy these games and increase the sociability of the organization.

R. H. McMichael, of the Mellon National, has received a letter from Hon. Edward B. Vreeland, of New York, vice-president of the national currency commission, accepting the invitation of Pittsburgh Chapter to speak here on May 9th, on banking and currency matters and the Aldrich plan of currency revision.

SPOKANE CHAPTER

Joseph W. Bradley, collection teller of Old National Bank, was elected president of the Spokane Chapter of the American Institute of Banking at the annual meeting on April 19th. The other officers are: Vice-President, W. H. White, Spokane and Eastern Trust Company; recording secretary, Sidney E. Smith, Exchange National Bank; corresponding secretary, W. N. Baker, teller Northwestern Loan and Trust Company; financial secretary, W. E. Tellenaar, assistant teller Old National Bank; treasurer, Thomas Rohoit; executive council, C. E. Alison, Spokane and Eastern Trust Company; B. A. Russell, teller Washington Trust Company, and T. H. Koenn, paying teller Bank of Montreal; delegates to the national convention, Rochester, N. Y., September 5th to 8th, W. N. Baker and B. A. Russell. Speakers at the social session were: R. F. Hanke, secretary of the trustee company of Spokane, and Ira W. Beadle, cashier of the Washington Trust Company.

SEATTLE CHAPTER

Edward G. Norris, of Scandinavian American Bank, was elected president of Seattle Chapter, American Institute of Banking last week after one of the most spirited campaigns in the history of the organization.

Other officers elected were: Vice-President, J. C. Glass, Bank of California; secretary, Harry Colwell, National Bank of Commerce; treasurer, Lester R. McCash, American Savings Bank; board of governors, R. C. Hazen, Dexter Horton and Company; Arthur Goodfellow, People's Savings Bank, and L. F. Hayes, National Bank of Commerce.

The proposed amendment to the constitution, permitting assistant cashiers to hold office was defeated. The election was held in the Elks' Club. Among those participating in the election were nearly all the bank presidents in Seattle.

Wallace West, of Seattle National, was elected alternate delegate to the national convention of the American Institute of Banking, to be held at Rochester, N. Y., from September 2d to 9th. President Norris is the regular candidate, but in the event that he does not attend the convention, Mr. West will represent Seattle Chapter.

ILLINOIS TUNNEL SECURITIES

James B. Colgate and Company announce that they have purchased \$500,000 receivers' certificates of the Illinois Tunnel Company, which are the last of the \$3,500,000 authorized by Judge Kohlsaat some time ago. The proceeds from this sale will provide sufficient funds for the company to complete practically its telephone installation, in and about the city.

BONDS FOR SALE

Lee County, Arkansas, Road Improvement

Bids for the sale of \$100,000 Lee County, Arkansas 5% Road Improvement, 30 year serial bonds, will be received up to and including May 1, 1911, by the undersigned at Marianna, Arkansas, each bid to be accompanied by a certified check for 2% of the face value of the issue, the right being reserved to reject any or all bids received. Bonds will be issued in denominations of \$1000, all interest payable annually, and will be made payable at any point to suit the purchaser. Address all communications to,

R. L. MIXON, Chairman
Lee County Road Commission

CHICAGO TO BE CENTRAL POINT

The central point in the educational movement recently planned by the national monetary commission, at Washington, will be Chicago. At a meeting held here this week the ball was put in motion.

The general committee held a meeting at the Union League Club. Besides the members, consisting of Paul M. Warburg and Irving T. Brush of New York, James J. Starrow of Boston, George D. Markham of St. Louis, F. N. Faxon of Kansas City, and F. W. Upham and H. A. Wheeler of Chicago, there were representatives from different Chicago business interests who agreed to take the responsibility of forming the central body as planned and assisting in carrying out the educational plan.

This committee of seven, practically went out of existence with the end of its session Wednesday, its only duty being the securing of a Chicago headquarters.

CHAPTER ELECTION

Minneapolis Chapter officers for the new year are: President, J. G. Maclean of the Security National; vice-president, G. C. Struthers, Union State; secretary, J. J. Cameron, Northwestern National; treasurer, C. L. Norman, Chapman-Stevens Company; executive committee: J. W. Groves, Minnesota Loan and Trust Company; Frank Plachy, Jr., First National; H. E. Cass, Northwestern National.

Delegates to the national convention at Rochester, N. Y., in September, were elected as follows: J. A. Bobb, H. E. Cass, J. W. Groves, H. E. Cobb, J. G. Maclean, F. J. Mulcahy, J. F. McGuigan, James Murphy, C. E. Searle, G. C. Struthers, W. J. Tobin and E. J. Wagenhals. Delegates to the Minnesota State Bankers Association convention to Bemidji in June are Joseph J. Cameron, W. C. Hall, J. G. Maclean, H. O'Hearn, S. H. Plummer, E. C. Phinney, I. E. Shattuck, T. M. Rees and Gray Warren.

Former President H. E. Cobb spoke of the offer that E. D. Hulbert, vice-president of the Merchants Loan and Trust Company of Chicago made when he addressed the chapter at the annual dinner at the Commercial Club Saturday night, of a \$25 cash prize for competition for the best paper written on the Aldrich currency plan. He will write to Mr. Hulbert to arrange the details of the competition.



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	H. T. SIBLEY, Manager Investment Department	

RESOURCES OVER FIVE MILLION DOLLARS.



Money, Banking and Finance from Chicago Viewpoint

Vice-President J. M. Appel, of LaSalle Street National, after a tour among interior banks, believes that the turn in the money market is at hand.

"Bankers all through the agricultural sections are pretty well loaned up," said Mr. Appel. "Some of them already have reached a point where they must call on Chicago institutions to help finance the season's farming operations."

"Money has been too cheap here. Business conditions throughout the West have never justified the low rates which have prevailed this spring. Chicago money is wanted to-day all over the West and South, and borrowers are able and willing to pay more for it than we have been getting. I think that within thirty days our money market will take on an entirely different aspect and rates will improve."

Demand is Broadening

Without doubt the demand for money is broadening, although the improvement up to this time has not been sufficient to cause a change of quotations. Considerable mercantile activity has come with the opening of spring. Manufacturing remains below normal but in other lines business has materially improved.

One of the best signs of the day is the effort of far western bankers and brokers to dispose of commercial paper in this market. There is manifest a disposition to secure money here while it is cheap and an unusual amount of six months' paper has been offered in Chicago since the middle of April. The proportion of Pacific Coast paper is large and bankers are forced to the conclusion that the West needs money and tighter rates are coming into view.

A number of the smaller Chicago banks have been pretty well loaned up this week at 5 per cent on mercantile transactions and 5 to 6 per cent on real estate.

Great Interest in Bonds

Disappointment over the sluggish money market this spring has set Chicago bankers astir on western bond propositions. Bond offerings are large all over the country, but particularly in the Southwest, and cheap money has aided the flotation in a noticeable way. Securities which return from 5 to 6 per cent and which bear indisputable evidence of soundness appeal strongly to Chicago bankers and a good deal of idle capital will be worked off in this channel before the crop moving activity begins.

As a result of the heavy purchasing of short-term investment issues by savings banks, insurance companies and individuals during the last fortnight, the immediately available sup-

ply of notes has been almost depleted and investment demand has extended with the last week to the comparatively long-term bonds of public utilities corporations and railroads. There has also been an active call this week for good industrial as well as for government, state and municipal bonds and still greater activity is looked for in all branches of the bond market.

Real Estate Aids Money Market

A heavy real estate business in Chicago continues to aid the local money market. Transfers last week footed up \$3,484,331, against \$2,909,241 for the corresponding week last year. Building permits also are half a million higher.

Greenebaum Sons, bankers, are trustees for a loan of \$100,000 at 6 per cent in the form of a serial bond issue to the Rogers and Hall Company, printers, secured by a new seven-story and basement brick and stone building, 98 by 100 feet, at the northeast corner of LaSalle and Polk streets. The security also includes the entire plant and equipment of the company.

Alexander A. McKay has obtained a renewal of the loan on the fee of the property on East Madison Street at the northeast corner of Wabash Avenue, north frontage, 171 by 97 feet, from the Northern Trust Company, as trustee. The amount is \$400,000, slightly more than the original loan, and is at the rate of 4 3/4 per cent from January 18th to March 1,

1916. The site will be occupied by the building to be erected by John B. Mallers.

Frederick A. and Axel W. Anderson have given a trust deed to Oscar H. Haugan as trustee, securing \$40,000 for five years at 5 1/2 per cent, on the property at 4951-53 Kenmore Avenue, at the southeast corner of Argyle Street, 90 by 150 feet, improved with a three-story apartment building.

Charles D. Evans has given a trust deed to John H. McCortney, securing \$27,000 for five years at 6 per cent, on the property on Fiftieth Street, 160 feet east of Cottage Grove Avenue, north frontage, 49 by 200 feet.

Simon W. Strauss is trustee in a loan of \$40,000 for five years at 5 1/2 per cent, made by Olaf Nelson on the apartment property on Drexel Avenue, 103 feet south of Sixty-second Street, west frontage, 150 by 173 feet.

Bertha and James Cockburn have given a trust deed to Simon W. Strauss, as trustee, on the property on Calumet Avenue at the northeast corner of Forty-sixth Street, west frontage, 100 by 128 feet, securing \$33,000 for five years at 5 1/2 per cent.

LONDON'S BIG CLEARING BUSINESS

The tremendous number of checks handled by the Bankers' Clearing House, London, and enormous total of these separate items was the feature of a recent address delivered by E. H. Goddard, vice-president of the Nottingham Engineering Society, before the members of the organization.

"Over 800,000 different checks were recorded in one day in the London Bankers' Clearing House," declared Mr. Goddard and the year's total business for 1910 amounted to over 14,658,000,000. All of these amounts are handled entirely by Nottingham made adding machines which are the output of the English division of the Burroughs Adding Machine Company.

Mr. Goddard then explained how mechanical calculators began with the simple device of four fingers and a thumb, which with the multiples of five furnished by the other hand, forming the basis of the decimal system. Napier's rod was the first mechanical adder in England; then the later attempts of Babbage, the Cambridge mathematician, and finally the patents accorded to William Seward Burroughs in 1883, were taken up consecutively.

The lecture was illustrated by stereopticon slides and was followed by a demonstration of Burroughs machines. Those in attendance accorded Mr. Goddard a hearty vote of thanks.

A quarterly dividend of \$1.25 per share has been declared upon the second preferred stock of the Finance Company of Pennsylvania, payable May 1st.

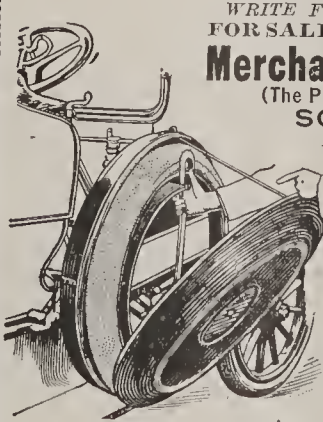
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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

The program committee for the annual convention June 21st at Bemidji of the Minnesota State Bankers Association has been appointed by President L. A. Huntoon of Moorhead as follows: George C. Power, St. Paul; J. S. Pomerooy, Minneapolis; A. J. Wedge, Jr., Bemidji; F. M. Beach, Lyle. The entertainment committee is: R. H. Shumaker and W. L. Brooks, Bemidji; L. A. LaBar, Brainerd; H. L. Wood, Warren. To arrange the convention and transportation are D. C. Armstrong, Albert Lea; J. S. Tolverson, Fulda; P. G. Leeman, Minneapolis; Otto Nelson, St. Paul, and Secretary C. R. Frost.

Two special trains will carry the Twin City and Southern Minnesota bankers to Bemidji. The delegates will stay with the trains which will continue the night of June 21st to International Falls. The return trip will be June 22d, arriving home June 23d.

Fine Crop Outlook

"The best conditions we have seen in years, and as fine an outlook as ever existed" is the way H. E. Baird, president of First National of Devils Lake, N. D., indicates the crop situation in his district.

"We have a fine crop outlook to start with and rain enough for some time; the farmers are hopeful and there is a big grain acreage," says C. B. McMillan, banker of Hanna, N. D.

Will Meet at La Crosse

Group Seven of the Wisconsin Bankers Association will meet May 25th in La Crosse. The invitation was accepted last week by the executive committee. On arrangements are John M. Holley, Jr., Joseph Boshert, John Bayer, J. A. Thwing, T. S. Thompson, and R. B. Lowry.

Water Power Financing

Organization and refinancing of the La La Crosse Water Power Company with Milwaukee capital interested is the prospect. De-

fault in interest on 5 and 5½ per cent bonds of 1906 started an investigation in charge of Fred Vogel, Jr., president of First National of Milwaukee; Frank O. Wetmore, vice-president of First National, Chicago; Harrison B. Riley, president of Chicago Title & Trust Company.

Miscellaneous News

A club room for employees is one of the features planned for the annex of the Security National Bank in the Deering building, Minneapolis. The room will open about June 1st.

The Scandinavian American National has asked the district court to be freed of a deposit of \$1,567.01. It is held in four suits brought against an officer of the Vanadium Steel Company, E. S. Kerlan, now departed.

Laurits S. Swenson of Minneapolis, formerly high officer of the Union State Bank, recently sent as minister to Berne, Switzerland, for the United States, has been nominated to Norway.

George Schafer of Kingsley, Iowa, and C. C. Smith, cashier of the Security State of Dante, S. D., have bought the stock of the bank and will take possession June 1st.

Eysight of Kelsey Chase, state superintendent of banking, has been impaired and he is consulting a specialist.

F. S. Lusk, president of First National of Missoula, Mont., returning from the British Isles says the English look with favor upon the reciprocity treaty between Canada and the United States, as it will lead to final relations between the United States and England.

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MINNESOTA GROUPS

Following are the dates and places of group meetings so far as determined, to be held by Minnesota Bankers Association:

Third District Group, May 16th at Hastings.
Seventh District Group, May 18th at Appleton.

First District Group, June 5th and 6th, place undetermined.

Second District Group, June 7th at New Ulm.

TELLS OF SUPERIOR'S GROWTH

A. J. Wentzel, cashier of United States National Bank of Superior, Wis., was among recent callers at LaSalle Street National, Chicago. He told of a marked revival of trade at Superior, where a mammoth new steel plant is soon to be opened. The city is showing new life and rapid growth.

NOME BANKER A VISITOR

F. H. Thatcher, manager of Alaska Banking and Safe Deposit Company of Nome, has been a visitor in Chicago this week. He gives a graphic account of the rapid changes which a banker sees in the far Northern territory.

TO RE-ESTABLISH U. S. BANK

Washington, D. C., April 25.—The United States National Bank of America, to be established in the District of Columbia, with \$100,000,000 capital, is contemplated in a bill introduced by Representative Fornes of New York. One hundred thousand shares of stock at \$1,000 each are proposed, three-fifths of which shall be purchased by the United States with proceeds of \$60,000,000 worth of government bonds and two-fifths by the national banks of the country.

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National Funds

Under a decision by the treasury department the collector of customs in Chicago may legally deposit the receipts of his office in designated national banks.

This is a victory for James C. Hallock of Brooklyn, who for several years has been endeavoring to induce the treasury department to authorize the use of national banks in sub-treasury cities for public payments and receipts. The treasury department held that collectors in subtreasury cities could not lawfully deposit customs revenue in designated national bank depositories. There are ten of these cities. Five decisions were made against the contention of Mr. Hallock that such deposits could be made and finally he has obtained a ruling that Chicago and Cincinnati are exempt from the prohibition.

"The importance of using banks in public payments," said Mr. Hallock, "is most easily seen in the case of Peoria, where the government collects annually about \$30,000,000 of internal revenue and expends about \$100,000. The difference is transferred by banks to other points for disbursement. Every Peoria bank with which the collector of internal revenue, collector of customs, or postmaster deposits has both Chicago and New York banks as reserve agents. A proper transfer of public money would be by draft sent to some assistant treasurer of the United States, who would deposit it for credit in a bank at his city. This is not done.

"The government uses the bank fully in Peoria, but only partly in Chicago or New York. In all subtreasury cities the assistant treasurer demands payment in currency for drafts to put the actual cash in his tills and vaults. In 1907 this imperfect system failed miserably.

"No collector of customs at Chicago has ever deposited his receipts in any bank.

"From 1846 to 1907 such deposits were forbidden by law. It was not until 1846 that Chicago became a port of entry at all. In that year of small beginnings a collector was appointed with the same amount of annual compensation as the 'collector of the district of Michillimackinac.' For the last four years, since congress authorized the deposits of cus-

toms receipts in banks by the act of March 4, 1907, Chicago has been one of ten cities discriminated against.

"Upon the passage of that act the treasury department directed the collectors of customs, for instance, at Peoria and Rock Island to deposit their entire collections in national bank depositories, but discriminated against Chicago, as well as the other principal ports, at all of which cities collectors of customs were required to deposit in the treasury or subtreasuries."

JOIN THE BIG ASSOCIATION

Following is a list of new members of the American Bankers Association:

Alabama—Jemison, Union State Bank, branch; Maplesville, Union State Bank, branch.

Arkansas—Altus, German American Bank; Piggott, Bank of Piggott.

California—Kingsburg, Kingsburg Bank; Puente, First National Bank.

Iowa—Ira, Farmers Savings Bank; Kesley, Bank of Kesley.

Louisiana—Jeanerette, First National Bank. New York—Watkins, Glen National Bank.

Oklahoma—Randlett, Farmers & Merchants Bank; Sulphur, Park National Bank.

South Dakota—Philip, Security Banking & Trust Company.

Tennessee—South Pittsburg, First National Bank.

Virginia—Stony Creek, Bank of Stony Creek.

A man giving the name H. Lee Russell, under arrest in Los Angeles on the charge of uttering worthless checks, is supposed to have operated all over the country, a search of his baggage disclosing blank checks on most of the important cities, East and West. One of his dishonored checks was upon the Commercial Bank of Jacksonville, Florida.

Los Angeles

Edward H. Wallace, assistant cashier of the Exchange National, Long Beach, Cal., has been elected a member of the school board of that city. Long Beach is building a \$200,000 Polytechnic High School.

The Oil & Metals Bank & Trust Company of Los Angeles has reduced its directorate from fifteen to eight members. H. K. Scott is elected cashier, to succeed L. D. Williams, who remains as secretary, but has been placed in charge of the branch bank at Taft, in the oil fields.

E. D. Elliott, formerly assistant cashier of the German American Savings Bank, of Los Angeles, more recently cashier of the First National, at Bakersfield, has resigned his bank office to become an examiner on the staff of State Superintendent of Banks Williams. Mr. Elliott is a banker of varied experience.

Four banks in Pomona, an important city in Los Angeles county, have formed a Clearing House Association. One of the first acts of the new organization was to agree upon opening the banks at 9 A. M. and closing at 3:30 P. M. excepting Saturdays when the closing hour will be noon. The banks will be open every Saturday evening from 6:30 to 7 P. M. The members of the association are the First National, American National, State Bank, and the Savings Bank & Trust Company.

Considerable banking activity is becoming manifest in Arizona, much of the capital involved coming from Los Angeles and other Southern California cities. The Farmers & Merchants Bank, at Phoenix, is being organized, to occupy the room recently vacated by the National Bank of Arizona. The building was purchased by the Capitol Savings & Investment Company from F. I. Kendall, of San Diego, and the Cutting Packing Company, of California, for \$20,000. The promoters of the new Farmers & Merchants are F. B. Westfall, W. Westfall and W. F. Boling, all recent arrivals from Oklahoma. The Buckeye Valley Bank, at Buckeye, is another new concern which will operate under a territorial charter, with \$25,000 capital. H. M. Watson, now cashier of the First National at Yuma, will be cashier and manager. Dr. L. H. Thayer will be president.

L. MANASSE

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Pacific Northwest Banking News

Spokane, April 25.—Robert W. Butler of Spokane, president of the state association of auditors of Washington; J. W. Brislawn of Lincoln county, secretary and Alexander Van Wyk of Whatcom county, met here on April 17th, to arrange for a three days' convention in Spokane, beginning on June 19th. Representatives are expected from each of the 39 counties in the state, and, although President Butler has made no announcement about the manner in which the guests will be entertained, it is understood they will not be permitted to let time hang heavily.

Spokane Investments

Columbia National Life Insurance Company has bought through the Union Trust and Savings Company \$20,000 worth of paving bonds. This is the second investment by that company in Spokane paper. Frank J. Dorsey, state general agent, reports: "Arthur E. Childs, president, and William C. Johnson, vice-president, will come to Spokane soon to look over the city and will probably make a further investment of not less than \$50,000 in local securities. Previous investments have been made simply on my recommendations of local conditions. I expect Mr. Childs to recommend a program of continued expenditures which will bring a large sum of money into Spokane annually."

Forger's Property Tangle

Fred Melchase, president of the American Bank and Trust Company of Klamath Falls, Ore., was at Chelan, Wash., recently, looking after property held by Thaddeus York, who is now serving 20 years in the penitentiary at Salem, Ore., for forgery. York was in Chelan several months ago and purchased property on which he made a payment and had the deed placed in escrow for the balance due. He gave a check for \$7,000 and took \$3,000 in cash. Becoming suspicious, those he had interested in the scheme, engaged a detective and investigation followed. The penitentiary sentence is a culmination of a series of crimes.

Bank Consolidation

Farmers State Bank of Newport, Wash., has consolidated with the Bank of Nezperce, Idaho, and will do business under the formers' name. The bank will be one of the strongest in the upper Clearwater country. D. W. Dowd, cashier of the bank, will take a vacation for several months, but has not made any plans for the future.

Banking Miscellany

S. Spears of the Colville Loan and Trust Company, has rented a building to be used as temporary quarters for a new bank at Chewelah, Wash., and the bank will open for business within the next 30 days. A two-story bank building will be erected soon. The new concern will be known as the Chewelah Loan and Trust Company.

Articles of incorporation have been filed by J. W. Hughes, Isaac Graham, Henry Treede, F. Keinbaum and several others to incorporate

under the name of the Farmers and Merchants Bank of Rockford, Wash., with a capital stock of \$17,500.

Edwin T. Coman, president of the Exchange National Bank of Spokane and head of the Chamber of Commerce, announces that the National Bank of Palouse, Wash., of which he is vice-president, shows an increase of \$25,000 in deposits since the March meeting. The directors authorized improvements on the bank building.

First National Bank of Kellogg, Idaho, has just completed its concrete structure, and the bank will move into it in a short time. P. P. Weber is president of the bank.

Bankers say conditions are better in Spokane this spring than a year ago. There are more accounts and everything appears to be favorable for good business.

Frank Bond, treasurer of Yakima county, Wash., has called in warrants to the amount of \$120,000, announcing that no interest will be paid after April 17th.

Perry Yaeger, national bank examiner of Montana, was in Spokane several days the week of April 17th.

Seattle

The wedding of Miss Anna Furth Terry, daughter of Mrs. Jane Furth Terry, and granddaughter of Jacob Furth, Chairman of the Board of Directors of Seattle National Bank, to William Peachy, assistant cashier of Seattle National Bank, took place Wednesday, April 19th, at high noon, in Cambridge, Mass., at St. John Memorial Chapel, in the presence of relatives and most intimate friends.

Miss Dorothy Terry, a sister of the bride, was Miss Terry's only attendant and H. K. Douglas Peachy, a younger brother of the groom, was best man. Dean Hodges of the Episcopal Theological School, officiated and Walter Tuckerman and Doctor Lothoron Key, were the ushers. Following the ceremony, a wedding breakfast was served at the home of Mrs. Terry, 8 Ash Street Place.

After a trip through the East, Mr. Peachy and his bride will return to Seattle the last of May.

Fairbanks despatches state that for some unknown reason the depositors of the Washington-Alaska Bank are not pleased with the offer made by Captain E. T. Barnette to turn over securities valued at a large amount, the proceeds to be used in liquidating the debts of the Washington-Alaska Bank. The bank was closed some time ago.

Seven directors have been chosen by the stockholders of the Alaska Bank & Safe Deposit Company of Nome, Alaska. The number has been reduced from 13. The election took place in Washington, D. C., and the following were chosen: Charles J. Faulkner, of Washington, D. C.; N. B. Solner, of Seattle; Avon M. Nevis, of Washington, D. C.; C. A. Ferrin, F. H. Thatcher, Eugene A. Ailes, of Nome, and W. T. Perkins, of Seattle. Mr. Thatcher was chosen president and general manager.

James D. Hoge, president of Union Savings Bank and Trust Company, has returned from a business trip to New York and Chicago. Mr. Hoge went East largely on business connected with the seventeen-story office building which the bank is erecting at the corner of Second Avenue and Cherry Street. All the material for the big building, the entire ground floor of which will be used by the bank, has been purchased. The building will be finished by November 1st.

G. K. Betts, who for six years was associated with the Washington Trust Company, has been elected cashier of the American Savings Bank and Trust Company. Mr. Betts assumed his new duties April 13th.

At a meeting of the directors of First National Bank of Hillyard last week, B. S. Sheire was elected to take the place of cashier, recently vacated by Edmund Burke.

JAMES R. EDMUNDS DEAD

James R. Edmunds, vice-president of National Bank of Commerce, New York, died on April 20th. Mr. Edmunds was stricken with paralysis while attending church.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier



**Capital, Surplus and
Undivided Profits
\$9,000,000**

**Accounts of Corporations,
Firms and
Individuals Solicited**

OFFICERS

ORSON SMITH, President
EDMUND D. HULBERT, Vice-President
FRANK G. NELSON, Vice-President
JOHN E. BLUNT, Jr., Vice-President
J. G. ORCHARD, Cashier

P. C. PETERSON, Assistant Cashier
C. E. ESTES, Assistant Cashier
LEON L. LOEHR, Sec'y and Trust Officer
F. W. THOMPSON, Mgr. Farm Loan Dept.
H. G. P. DEANS, Mgr. Foreign Dept.

DIRECTORS

ENOS M. BARTON, Chairman, Board of Directors, Western Electric Company
CLARENCE A. BURLEY, Attorney and Capitalist
E. H. GARY, Chairman, Board of Directors of the United States Steel Corporation
WILLIAM A. GARDNER, President, Chicago and Northwestern Railway Company
EDMUND D. HULBERT, Vice-President
CHAUNCEY KEEP, Trustee, Marshall Field Estate

THIES J. LEFENS, Capitalist
CYRUS H. McCORMICK, President, International Harvester Company
JOHN S. RUNNELS, Vice-President, Pullman Company
EDWARD L. RYERSON, Chairman, Board of Directors, Joseph T. Ryerson and Son
ORSON SMITH, President
MOSES WENTWORTH, Capitalist

ALL BRANCHES OF BANKING



**For
Colorado**

Drawing-room sleeping cars, buffet-library-observation car, free reclining chair cars, mission style dining car—equipment of latest construction and electric lighted throughout. Provides barber, valet to press garments, library of current fiction, magazines, daily newspapers of cities en route, telegraphic news bulletins and stock market reports.

**Leaves Chicago Daily From
La Salle Station 9:30 A. M.**

(On the Loop)

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(Convenient to South Side Residence District)

Arrives Colorado points next day at noon.

Only One Night En Route

For tickets, reservations, information, 'phone, write or call.

City Ticket Office
Cor. Adams and Dearborn Sts.
Phone Central 4446
L. H. McCORMICK
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**Rock
Island**

Philadelphia

Call loans have been made freely by Philadelphia institutions at $3\frac{1}{2}$ per cent.

The Central Trust & Saving Company has declared a quarterly dividend of $1\frac{1}{2}$ per cent and added \$25,000 to surplus, raising the latter fund to \$425,000.

The Girard National Bank declared the regular semiannual dividend of 7 per cent, payable May 1st to stock of record April 25th. The stock was placed on a 14 per cent basis at this time last year.

Chairman Herbert Dupuy, of the Crucible Steel Company of America, states that the report of the treasurer shows operating profits for March of \$335,722, or more than \$100,000 in excess of what had been unofficially stated earlier. These earnings are at the rate of 16 per cent per annum on the preferred stock.

Cashier Ira W. Barnes, of Union National of Mahanoy City, has resigned to accept a responsible position in a large banking institution in Philadelphia. William H. Kohler, who for twelve years has been cashier of the First National Bank of Lansford, Pa., was elected as his successor.

A handsome new building is being planned for the Manayunk Trust Company on the site of its present building, No. 4340 Main Street, Manayunk.

It became known last week that the well known textile firm of Wolstenholme Sons & Company will have to be reorganized. The move was decided upon after a conference with

the firm's bankers. The house had sold considerable paper to institutions in this city and it may be necessary to extend the time on some of its notes soon to mature. The president of one of the banks said: "Certain conditions of a personal nature made it expedient for the bankers to form a protective committee. Through the efforts of this committee, Robert Wolstenholme was deposed as president and his brother, Frederick, elected in his place."

GROSS TOURS EUROPE AND THE WORLD

**MAY 10th, AUTOMOBILE TOUR OF EUROPE
99 DAYS, \$1006.00**

Including every item of expense, except tips to steamship stewards. Azores, Madeira, Gibraltar, Algiers, Italy, Switzerland, Germany, Holland, Belgium, France and British Isles. Party is limited, make your reservations now.

**VACATION TOURS OF EUROPE, JULY 3rd and 15th
59 DAYS \$619.15. 47 DAYS \$527.65**

Rate includes every item of expense except tips to steamship stewards. Two weeks motor tour through the most interesting part of Europe is a feature of these tours.

**ROUND THE WORLD, 160 DAYS, OCTOBER 4th
FROM SAN FRANCISCO, \$2300.00**

Honolulu, Japan, Korea, China, Philippines, Straits Settlements, Rangoon, India, Egypt, Turkey, and Greece at the best seasons of the year. Write for booklet at once.

Space is limited on each tour. Make your reservations now
30 years experience

GROSS TOURS, Inc.
302 Ellicott Square BUFFALO, N. Y.

Pittsburgh

At a meeting of the board of directors of Third National Bank of Pittsburgh, Reuben Miller was elected a director. Third National has shown a considerable increase in business since the election to the presidency last January of William McKennan Reed. In that time deposits have increased from \$838,000 to more than \$1,000,000 at the present. The directors of the bank in addition to Mr. Miller, are: J. T. Hamilton, who is also vice-president; Alfred Hicks, William Loeffler, L. F. Demmler, F. E. Schenck, Robert Garland, Paul C. Wolff, Ogden Russell and William McK. Reed.

The Surpass Oil Company of Pittsburgh, in which are interested William M. Laird, Henry Wittmer and others, has brought in a 250 barrel well in new fields in Clinton county, Ill. It is reported that \$3,000,000 has been offered for the property. The present well is now at a depth of 1,040 feet and only in the sand eight feet. There are two more sands below. The Surpass company owns leases on 10,600 acres, practically the entire field. The field is 60 miles east of St. Louis.

At the annual meeting of the City Deposit Bank the following directors were elected: James R. Mellon, David Blair, J. M. Lockhart, D. J. Kennedy, Jas. A. Johnston, H. C. Frick, W. H. Goehring, Joseph R. Woodwall, E. S. Kuhn, Jacob Graff and William Frew. The board organized by electing James R. Mellon, president; David Blair, vice-president; Henry W. Ludebuehl, cashier, and Robert O. Fulton, assistant cashier.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

J. M. Beasley, assistant cashier of the Oklahoma State Bank of Frederick, Okla., has purchased the furniture and fixtures of the recently failed Citizens State Bank of Mountain Park, Okla., and will re-open the institution in a few days.

Paul Naeve, who has been connected with the Bank of Unadilla, Neb., for the past seven years, has become cashier of the Farmers Bank of Cook, Neb., the position being vacated by James R. Tober, who has engaged in private banking.

Des Moines, April 27.—The annual meeting of Group Five was held at Council Bluffs, Wednesday. It was an interesting session and was well attended. The headquarters were at the Grand Hotel. At ten in the morning, the registration began and at 10:30, Chairman R. G. Penniston of Defiance called the meeting to order. The address of welcome was given by Hon. Emmett Tinley of Council Bluffs. A. L. Preston of Avoca was down on the program for the response. Arthur Reynolds of the Des Moines National gave an address on the Aldrich plan. L. T. Genung of Glenwood spoke on "The Ultimate Consumer." General discussion, reports of committees and election of officers concluded the program. Luncheon was at 1:30. It was followed by numerous toasts and short impromptu speeches.

Group Four at Elkader

Group Four met at Elkader, Thursday. Headquarters were at the Hotel Bayless but the meeting was held at the Elkader opera house. Mayor G. H. Shulte welcomed the bankers. B. W. Newberry of Strawberry Point opened the program with an address on taxation of moneys and credits. R. Algyr of Decorah gave a decidedly interesting talk on the postal savings bank as it has worked at Decorah. "Clearing System for Country Banks," was the subject of a paper by R. B. Jamison of Oelwein. Arthur Reynolds of Des Moines spoke on the Aldrich plan. F. A. Schuetz of Lawler discussed legislation particularly as regards the recent legislative session. Secretary P. W. Hall of the I. B. A. concluded the program with an address. Then came the business meeting. The banks of Elkader tendered the banquet, which was given at 7 o'clock at the Hotel Bayless. Chairman F. E. Crandall of Postville presided at the program and business meeting.

Group Nine Meets Next Week

Announcement has been made that Group Nine will meet at Osceola, May 2d. Grant McPherrin who recently returned from California to remain in Iowa will preside over the sessions as chairman of the group. Those on the program include Henry Wallace, president of the national conservation congress and W. T. Fenton of the National Bank of the Republic of Chicago. There will be a discussion of the new bank tax bill passed by the recent legislature. The discussion will be led by Homer Miller or James G. Berryhill of Des Moines.

New Banks Show Prosperity

Just as an evidence that Iowa is prosperous, Secretary of State Hayward calls attention to the remarkable number of new banks that are being organized in the state. There were three new state banks formed last week according to articles filed with Mr. Hayward.

The Farmers State at Volga filed articles, capital stock \$25,000. E. W. White of Volga City, president; George Kube of Elkport, vice-president; H. W. White, Volga City, cashier.

Farmers Savings at Lytton, articles amended and capital stock increased from \$15,000 to \$25,000.

Exchange State of Walnut, capital stock \$40,000. Jacob Hector of Walnut, president; C. A. Rossman of Walnut, vice-president; O. Mosher, of Walnut, cashier.

Austinville Savings of Austinville, capital stock \$12,500. W. G. Austin of Austinville,

president; R. C. Bode, Austinville, vice-president; S. L. Patterson, Austinville, cashier.

Sioux City's Enterprise

Sioux City made a wonderful showing in its campaign for an industrial development guaranty fund. The total amount secured totaled \$825,000. The fund was organized to induce factories to locate in Sioux City and was dependent largely upon the co-operation of the bankers.

Trouble over Tax Law

Already the trouble has commenced regarding the new law taxing moneys and credits. Attorney-General Cosson has been asked to give an opinion upon the meaning of the title "moneyed capital" as it appears in the new statute. The law takes effect at once and many of the assessors over the state are puzzled as to just what the term means. Friends of the bill are admitting that there may be some ambiguities in the law which will need clearing up but assert that there is no question as to its constitutionality. Attorney-General Cosson has been called to Council Bluffs but will return, study the statute, then give a formal written opinion taking up the law in all its details.

Company Election

The Investors Securities Company of Des Moines held its annual meeting last week and elected the following officers: Carroll Wright, president; Oscar Strauss and F. M. Hopkins, vice-president; Thomas Flynn, treasurer; George F. Henry, George G. Wright and Thomas F. Flynn, executive committee. The company, which was organized in Des Moines a few months ago, has proved a remarkable success. It was successful in the bidding in of the \$210,000 school bonds. Other bidders were the Harris Trust and Savings, A. B. Leach and Company and N. W. Halsey and Company, all of Chicago, and Bechtel and Company of Davenport.

Yeggman is Captured

One of the yeggmen, who it is claimed, robbed the Carlisle Bank several months ago, was arrested in Minnesota last week and returned to Warren county by Sheriff Grant Kimmer of Indianola. He gives his name as Harry Bowen. It is probable that he will be placed on trial at the May term of court. The robbery was a bold one. The robbers blew open the bank vault and looted it. It was not until morning that the robbery was discovered.

Predicts Better Times

J. D. Whisenand of the Central State, Des Moines, is quoted in a local newspaper as predicting much better financial conditions within thirty days or less. He bases this belief upon the tone of the money markets in New York, Boston and Chicago and in the fact that money is not being invested so much in speculative ventures but more in bonds, commercial paper and productive industries.

Miscellaneous News

Charles A. Nash, teller in the Home Savings, Des Moines, has been named assistant secretary for the Iowa State Fair by Acting Secretary A. C. Correy. Mr. Nash assisted during the fair last year to good advantage.

Fred Christians, a banker at Grafton, became too speedy while driving his automobile

through the streets of Mason City. He was nabbed, taken before the judge and contributed \$20 to the county treasury.

A. E. Coppeck, convicted of forging checks on the First National at Shenandoah, was sentenced to seven years at Fort Madison. He pretended to be the agent for a dealer in horses and passed off several small checks in payment of livery and board bills.

Miss Marie Naeve, daughter of Vice-President George Naeve of the Crawford County State at Denison was married at Omaha to Roe E. Mote of Kintyre, N. D. The marriage came as a surprise to the parents who had expected it to occur at their home in Denison later in the season.

Carl Spencer, formerly teller of the Des Moines National, who was sent to Ft. Leavenworth for making false entries, has been released because of good behavior after serving a portion of his sentence.

H. E. Teachout has announced plans for a handsome new five-story structure to be erected for the Iowa Trust and Savings at East Fifth and Locust streets, Des Moines. The first floor will be used by the bank and the upper stories for hotel purposes. It is probable that work will not start until fall or next spring.

Claus Stoltenburg, president of the Farmers and Mechanics Savings at Davenport, last week celebrated his eightieth birthday.

The First National at Sioux City will erect an addition to its present structure. The three story annex will be wrecked and the new addition will be erected on that site. The bank will be entirely remodeled.

A. C. Miller, of the Home Savings, Des Moines, has been serving as cashier of the Farmers Exchange at Ankeny, of which he is president, during the absence of Cashier John Walker.

The comptroller of the currency has extended the corporate existence of the First National of Elkader until April 19, 1931.

I. H. Sears, president of the Scott County Savings at Davenport, has returned to his home after ten weeks spent in Mississippi. Mr. Sears is in his ninetieth year and is a veteran Eastern Iowa banker.

J. D. Whisenand of the Central State, Des Moines, was called to Chariton by the death of his mother whose demise occurred suddenly. She was 83 years old.

C. A. Palmer has resigned as cashier of the First National at Algona.

Frank Flynn, vice-president of the People's Savings, has returned from Denver, where he has been on business.

Clearings at Sioux City increased \$5,000,000 in March as compared to the total for February. Total clearings for March were \$14,176,207.

C. H. Hunt, formerly with the gas company at Kansas City and later at Des Moines, has accepted a position as assistant bookkeeper in the Mechanics Savings at Des Moines.

DEPOSITORS SAVED FROM LOSS

Bristol, Tenn., April 27.—Stockholders of the Citizens' Bank of Bristol, which recently went into the hands of a receiver, to-day ratified a deal whereby the First National Bank of Bristol takes charge of the assets of the closed bank and assumes the liabilities to depositors. The directors of the First National concurred in the arrangement this evening and will to-morrow begin paying deposits of the closed bank amounting to \$375,000.

Plead for "The Other Fellow"

Banking ethics and intrinsic value of farm security discussed by two South Carolina men at convention

Robert B. Scarborough, of Conway

I believe that banks should not be run altogether for the personal gain of their promoters. They are much needed public enterprises, and by virtue of their chartered rights they are charged with a large public duty. They seek, and as a rule, merit the confidence of the people, but too often forget that they owe their prosperity to the humbler, and poorer class of society. The average man that appears at the teller's window considers himself a supplicant; and, too often, the bank fails to accord him the courtesy that is his due. I believe that we are prone to consider ourselves the favoring instead of the favored. Yet, the man that crosses our threshold to do business in a legitimate way, makes us his debtor in the larger sense; for without him we would have to close our doors. The honest borrower, no less than the much welcomed depositor, is our real friend.

The bank whose officers recognize the principle of reciprocal rights and duties between it and its customers,—that tries most hard to give every one a square deal and due appreciation,—is the one that most deserves the public confidence, and will, in the end, make the largest dividends.

The bank or banks of every community, should set the pace for business integrity and civic righteousness. A uniform rule of discount, and a fair rate of interest and exchange is proper, and this only is the legitimate custom.

Opportunities for oppression on our part are often afforded, but the Golden Rule should be followed here as in every other line of business. It is a breach of law as well as of morals to include interest or discount on the legal three days of grace, but require payment on the exact day of maturity, and then, in case of renewal, repeat the wrong. One borrowing for thirty days, and renewing for another thirty, pays interest for 66 days. In that way some banks collect interest 13 1-5 months in a calendar year. This is predatory banking,—and, to my mind smacks of the "loan shark" and financial pirate.

The savings feature is a splendid argument too, to the people to start a bank account, and to lay by something for future use. Nothing so increases a poor man's self-respect as to feel that he has a little money in the bank. It makes him more careful in his dealings, enlarges his credit and improves his standing. It makes him a man of affairs and a better citizen. Every bank owes it to the community to swell the list of its customers. Bank depositors are more conservative in business and politics than those who hold aloof.

Now a word as to the duty of country banks: I believe that real estate security is the best security that can be offered, and every dollar lent for the judicious improvement of real property enlarges the field of banking operations, and increases the prosperity of the community.

There are many reasons why the conditions now existing should continue favorable and should improve as the years go on for the country is growing in population and in wealth.

So I believe the country banks should seek especially to promote the agricultural interest of the country, and secure farmers for their most favored customers.

H. H. Watkins, of Anderson

For some reason the banks of our country, justly recognized as ruling authorities on all matters financial, have always looked upon the real estate mortgage as undesirable paper, whether as collateral or as the basis for a direct loan. The national banking laws strictly prohibit loans upon the faith of such security, and the large insurance companies have been disposed to make strict classifications as to the territory within which they shall make real estate loans, and have been disposed to exclude the country lands of the South from the favored territory. The reason, usually asserted by both banks and insurance companies, is that mortgages of Southern country lands are not regarded as commercially negotiable. The explanation generally given is that these mortgages have no generally accepted value, and are not listed by trust companies, banking houses, and the great commercial exchanges.

I once heard it stated by a leading financier of New York that the difficulty about the real estate mortgage was that it required too long a time to foreclose and collect the money that might be due upon it. He was then comparing the negotiability of the real estate mortgage with that of corporation stocks, and he added that these stocks could at any time be sold. We venture the assertion that in this respect as between the two, the corporation stocks are so far beneath the real estate mortgage as to admit of no comparison. When properly taken, the real estate mortgage is always worth one hundred cents on the dollar, principal and interest. There is no fluctuation in price. It can be readily sold at all times at its full face value, including accrued interest. If perchance the mortgagor should be unable to pay and no purchaser should be found, it takes but a comparatively short time in which to foreclose, and realize the money due, by a sale of the property.

How about corporation stocks? Their value fluctuates daily. It is true that there are many corporations, the stocks of which show but slight fluctuation, and which can always be sold at some fair price in open market. On the other hand, the record of failures is not encouraging, and the record of depressions is no more so. Again, if there should be no market for the collateral, corporation stock stands at an infinite disadvantage as compared with the real estate mortgage. The holder of the stock, whether as owner or pledgee, can neither enforce the payment of dividends, nor institute suit against the corporation for its par value. The solvency of the corporation is not a guarantee of immediate realization as in case of the solvency of a mortgagor, and the holder of the stock is absolutely powerless, by a proceeding in court, to compel the payment by the corporation of his debt. So that it will be seen that while both may be sold in open market, it is only the mortgage upon which immediate payment can be enforced, either by proceeding personally against the mortgagor, or by proceeding in rem against his property.

In an experience of eighteen years in the practice of law, and embracing the preparation of many hundreds of mortgages, I cannot recall one instance in which the lender of money upon such security has suffered a loss, or has been subjected to any expense in the collection of his debt.

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as an illustration of it will indicate
We specialize in Wash Drawings of
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THE SUPERIOR HOUSE
MILWAUKEE WISCONSIN

Engravers

NOW READY

American Railways as Investments

By CARL SNYDER

Their History, territory, great groups and allies, who own and run them, stability of traffic, earnings and surplus.

Their capitalization, condition, recent improvements, resources, future, range of market prices, yield to the investor, etc.

This is a work designed for the Investment Banker and Broker and more especially still, for the general investor himself. It is practical, not theoretical, and presents a comparative and historical analysis of nearly 100 of the important railway companies of America.

Price, \$3.20 net; by mail, \$3.52

THE CHICAGO BANKER

MONADNOCK BLOCK

CHICAGO

Guaranty Opinion

On account of the confusion resulting from the enforcement of the Oklahoma bank deposit guaranty law, J. B. Ferguson of Enid, president of the Oklahoma State Bankers Association, requested an opinion from Percy C. Simons, former attorney-general of Oklahoma, on several points of the law that have never been clear. The query was based upon the understanding that the recent emergency assessment of one per cent as made by the state banking board, would be based on the deposits of January 7th, the date of call for state banks. Mr. Ferguson asked Mr. Simons for answers to these questions:

Can emergency assessment be levied for any other purpose than to pay depositors of a failed bank?

Can the state banking board in making an emergency assessment for the guaranty fund base such assessment upon the deposits of a bank on a given day, or shall the levy be upon the average daily deposits for the preceding year?

Has the state banking board any legal authority to guarantee the paper of a failing bank, and make good such guaranty by the use of any portion of the guaranty fund?

In answering these questions Mr. Simons says: "This banking act in our opinion does not anywhere confer upon the banking board any right or power to guarantee paper of a failed bank except where it is done under court order. The object of the law creating the guaranty fund is to protect the depositors of a bank which has closed its doors for business, and is not to aid and strengthen a bank which while it may be weak has not by affirmative act gone out of business."

Mr. Simons holds that it was the obvious intention of the legislature that an emergency assessment must be for a given per cent, not exceeding 2 per cent per annum, upon the average daily deposits of the bank for the preceding year, which would necessarily preclude any emergency assessment upon the deposits in a bank upon any given day. Relating to the first question as to the uses of emergency assessment, Mr. Simons states this opinion: "The purpose of the emergency assessment is only to pay depositors of a failed bank, and in our judgment that is the only purpose for which an emergency assessment can be levied under the bank law as it now exists and we do

not believe that an emergency assessment can under any circumstances be levied until after the bank has failed, the failure of which necessitates a reduction of the depositors' guaranty fund in paying off depositors."

In conclusion Mr. Simons says: "In rendering our opinion on the above proposition we have been obliged to resort almost entirely to an examination of the banking act itself, as the comparatively recent passage of the bank guaranty law in this and other states, has afforded no opportunity for the construction of the various provisions of our law or similar provisions of other laws to be given by the supreme courts of the several states passing such laws."

SEEK OUTLET FOR FUNDS

Several bankers from Western Pennsylvania were in Philadelphia during the week looking for places to get a good return on surplus funds. Many of the banks in that section of the state pay 4 per cent interest on deposits and ordinarily they expect to get at least 6 per cent on their loans to justify such a rate.

\$25,000.00 5 Per Cent Bonds For Sale

The undersigned will receive signed bids for \$25,000 5 per cent improvement and refunding bonds until one o'clock, Saturday, May 20, 1911. Bonds will be dated May 1, 1911, and will be due May 1, 1941, interest payable semi-annually at Hanover National Bank, New York. Issue made under authority of the Acts of the General Assembly of the State of Tennessee for the year 1911, as per provided for in House Bill 290 of the Acts of 1911. Address all bids accompanied by certified check for \$1500 and marked "Sealed Bids," to

T. S. DOOLEY, Mayor of Park City

Care of The Union Bank

Knoxville

Tennessee

Germany's Trade

The final estimates of Germany's foreign trade make a considerably more imposing showing than the preliminary figures given out in January. The import figures especially had to be greatly enlarged.

The actual values of imports are now estimated at \$2,127,000,000. This is about \$77,000,000 greater than the preliminary estimates, and the gain over 1909 is now given at nearly \$97,000,000. The final figures of exports are given at \$1,780,000,000, which denotes an increase of \$209,760,000 over 1909. Both imports and exports were considerably greater than even in 1907, which had hitherto been the record year. Last year's imports exceeded that of 1907 by nearly \$47,000,000, while exports were even \$150,000,000 greater. A still more imposing measure of the growth of Germany's foreign trade is obtained by comparing it with that of the year 1900. During the decade imports scored a gain of \$754,000,000, or 55 per cent, while exports gained \$682,000,000, or above 62 per cent. These totals do not include gold and silver.

In giving out the final trade figures the Statistical Bureau also publishes the volume of trade with each of the leading countries. These show some interesting results. Up to 1908 the United States was the country from which Germany drew its heaviest imports, but in 1909 Russia assumed the first place, and in 1910 imports from Russia registered a still further gain, while those from the United States dropped off nearly \$18,000,000. Imports from the United States last year amounted to \$282,700,000, which compares with \$300,600,000 for 1909. Imports from Russia rose to \$330,000,000, or some \$5,300,000 more than in 1909.

In exports the United States continues to occupy the third place, as has been the case for some years, the movement to this country being exceeded by England and Austro-Hungary. Exports to the United States in 1910 rose to \$150,400,000, as against \$144,300,000 in 1909. Thus the balance against Germany in its trade with the United States dropped from \$156,300,000 in 1909 to \$144,200,000 in 1910. These figures recall the fact that the Germans are ever complaining that the United States buys so much less from them than they sell there. This has been the burden of dozens of speeches in the Reichstag.

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THE WALES is the only completely visible adding and listing machine on the market. All the operator needs to see is right before his eyes; totals, printing—everything.

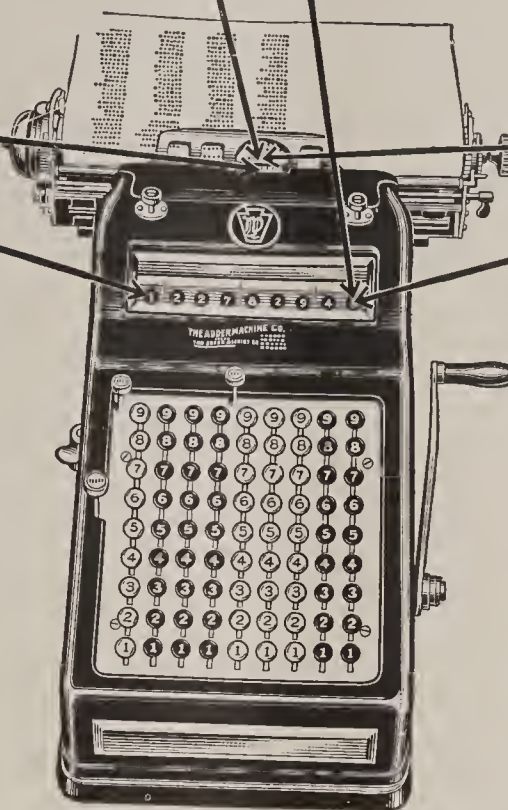
Users of the WALES say this complete visibility increases operator's speed and accuracy at least 25%. Combine this feature with light key touch and quick and easy operation of handle and you have the reason for WALES speediness.

5-Year Guarantee Against Repairs

The WALES is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee, when the WALES gives you five times more protection?

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

The Adder Machine Company
Wilkes-Barre, Pa.



The Adder Machine Company
Wilkes-Barre, Pa.

Please send me booklet describing in detail the construction and features of the WALES Visible.

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CORRECTING errors on the WALES is done in the most natural and quickest way possible. If you press the wrong key, simply pressing the right one automatically corrects the error.

The "Non-List" and "Non-Add" keys permit items to be added in totals without being printed, or printed without being added. They are valuable time savers in making statements and trial balances.

There are other features of the WALES that are best told in our literature. You will appreciate them all.

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We will let you use a WALES for 30 days. If it doesn't convince you in that time we will remove it immediately. All this at our expense.

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ATTACKS ALDRICH PLAN

(Continued from page 1)

operations carried on there are so vast that a careful banker would hesitate to go on record as saying that the concentrated reserves that would ever get into the reserve association would be sufficient under all circumstances to control any conflagration that might break out there. Clearings in New York run close to \$2,000,000,000 a week, more than double the amount of cash reserves held by all the national banks outside of New York City. It would be dangerous to act on the theory that any specific sum would be sufficient to insure the country against any possibility of panic in New York.

"What it all simmers down to is the proposition that all the bank reserves of the country shall be used when necessary to protect the New York situation. That would be perfectly justifiable when it succeeded, and a very great disaster when it failed. We had an object lesson in 1907.

"As the situation in New York grew steadily worse in September and October, the government was appealed to on the plea that if the government would loan the banks money enough to meet the runs that were going on, the trouble could be controlled, and the whole country saved from possible panic. President Roosevelt and Secretary Cortelyou took that view of it. Mr. Cortelyou moved his headquarters to New York. It was ostentatiously announced that the government had come to the rescue of the banks, and that all the resources of the treasury would be used, if necessary, to meet the crisis. The government put in \$10,000,000, then \$20,000,000, then \$30,000,000, then all it had.

"Mr. Vreeland now says if they had \$100,000,000 more they could have stopped it. How does he know that?

"Looked at from a commercial standpoint,

the plan provides for practically unlimited expansion of credit. I think every banker will agree that every panic we have had has been preceded by overexpansion of credit. The danger which comes from this overexpansion in times of universal prosperity and optimism is not caused by a time coming when banks are unable to extend further credit, but it is caused by the fact that the business concerns of the country have expanded their business beyond the limits of their capital to a dangerous degree, dangerous not because they can't get more credit, but because a small percentage of loss will impoverish their capital and make them insolvent. Is it going to help the condition any to introduce another element of expansion into the system?"

A party of Vermont capitalists has been inspecting investments in Kansas and Oklahoma the past week. In the party were J. G. Turnbull, George B. Rowell, R. A. Bean and R. G. Skinner connected with a bank in Orleans, Vt. They were being shown about by Robert O. Deming, head of the Deming Investment Company, Oswego, Kan.

\$450,000.00 Port of Tillamook, Oregon 6% Harbor Improvement Bonds

Notice is hereby given that sealed bids will be received by the Treasurer of the Port of Tillamook, in the City of Tillamook, in the State of Oregon, at his office in said city, until Thursday, June 15, 1911 at 10 o'clock a. m. for the purchase of all or any part of the bonds of the said Port issued by virtue of a resolution of said Port, duly and legally passed April 6, 1911. Said bonds are to be dated July 1, 1911 and run 20 years from their date, interest payable semi-annually, both principal and interest payable in United States gold coin at Tillamook, Oregon or at the office of the Port's fiscal agent in New York City, N. Y. Said bonds are 900 in number and of the denomination of \$500 each and are issued for the purpose of defraying the cost of harbor improvements on Tillamook bar and bay. Said bonds will be sold to the highest bidder for cash and all bids must be accompanied by a certified check equal to 5 per cent of the amount of the bonds bid upon. The right is reserved to reject any and all bids and to re-advertise for bids for the same.

Dated at Tillamook, Oregon, this 10th day of April, 1911.

M. F. Leach, Treasurer, Port of Tillamook

NOTABLE BANK RECORD

The First National Bank of Philadelphia enjoys the distinction of being the first bank chartered under the National Bank Act of 1863, being therefore No. 1 in the national banking system of the United States. This institution was also the first to issue national currency and was the first United States depository.

Originally the capital of the bank was \$150,000, but expansion of business by November, 1863, or within four months of the opening, caused an increase of \$500,000, and this was further augmented two months later, in January, 1864, to \$1,000,000. The capital remained at this figure until July, 1910, when in connection with the merger with the Merchants National, it was enlarged to \$1,500,000.

The roster of charter stockholders contained the names of men who became prominent not only in the financial affairs of Philadelphia, but of the nation as well. Among these were Jay Cooke, A. J. Drexel, C. H. Clarke and Stephen A. Caldwell.

In the forty-eight years of the bank's history there have been but four presidents—C. H. Clarke, served from 1863 to 1874; George Phillar, from 1874 to 1894; Morton McMichael, from January to March, 1894, and J. Tatnall Lea, from 1904 to date.

With the declaration of its quarterly dividend in January, the First National brought its dividend record up to 108, aggregating \$5,405,000, or 540 per cent. Besides, a large sum was applied from profits to the building up of a surplus of \$1,500,000, the latter account added to the undivided profits, totaling \$1,595,017, in the last statement of March 7, 1911. Deposits at that time were \$25,158,674; loans and investments, \$18,493,346; cash, exchanges and due from banks, \$10,760,344, and total resources, 29,253,691.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Miscellaneous

For Sale. At a great sacrifice, beautiful mahogany and marble bank fixtures complete with grills, cages, counters, etc., suitable for a banking room containing about 3500 square feet of floor space. Also a safety deposit vault containing 2514 boxes of various sizes with mahogany coupon rooms, wall desks, etc. For further particulars address F. G. Fisher, 450 Railway Exchange, Chicago, Illinois.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

FOR SALE—Farm Implements

O'Neil Implement Co., La Salle, Ill., have on the market CON-SERVING carriers and EXPANSION spreaders that increase the value of MANURE and save so much time and labor that they are the best paying investment a stock or grain farmer can add to his equipment.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.
The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.
Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37.
This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

NEBRASKA SELLS BONDS

The State of Nebraska has sold to H. W. Halsey & Company \$525,000 State of California 4 per cent bonds which were held in the state treasury.

WESTINGHOUSE BUSINESS GOOD

The Westinghouse Electric Company is billing out goods at the rate of \$3,000,000 a month, which maintains a high average business volume, and is in keeping with the general prosperity attending the electrical industry.

Department of New Business

NORTHWEST

Hamilton, Mich.—Herman Brower, former county clerk, will soon organize a private bank at this place.

Ann Arbor, Mich.—A new private bank is to be organized. Joseph Keinger, Mr. Taylor, of Battle Creek, and others are promoters.

Henrietta, Minn.—P. J. Engbery, of Brahan, Minn., is interested in the organization of a new bank at this place.

Hoffman, Minn.—The new Farmers State Bank has elected the following officers: P. O. Unumb as president and Frank Bascher, of Alexander, Minn., cashier. The capital of the institution is \$15,000.

Ladysmith, Wis.—The Rusk Company Bank has filed articles of organization with a capital of \$25,000. F. B. Ainsworth, Glen H. Williams and W. S. Manning are promoters.

Robinson, N. D.—The Farmers and Merchants Bank has been organized with a capital of \$10,000. T. F. Pryse and F. A. Cameron, of Dawson, and O. R. Weber, of Jamestown, are incorporators.

Jefferson, S. D.—The First State Bank has filed articles of organization with a capital of \$10,000. R. J. Authier, R. N. Authier, M. E. Authier, P. U. Bernard, James J. Gill, Albert Allard, Oswald Allard, H. M. Beavers, James C. Cates and W. P. Connors are promoters.

SOUTH

Kingston, Ark.—The Bank of Kingston has been chartered with a capital of \$10,000.

Osceola, Ark.—The Title Guaranty and Trust Company has been incorporated with a capital of \$100,000.

Smyrna, Ga.—The Bank of Smyrna has been chartered capitalized at \$25,000. P. W. Rice is president and Clarence James, cashier.

Florence, S. C.—The Palmetto Bank and Trust Company has been chartered with a capital stock of \$50,000. The promoters are: J. W. Ragsdale, E. F. Douglas, R. E. Whiting and J. W. Holliday.

Darien, Ga.—The Bank of Darien has been organized with a capital of \$25,000. S. M. McVain is president, J. D. Howard and J. R. Howard, vice-presidents, and J. Fred Howard, cashier.

Cecil, Ga.—The Bank of Cecil is the title of a new enterprise. L. O. Benton is president, J. D. Hutchinson and A. L. Folsom, vice-presidents.

Cordele, Ga.—The Cordele Banking Company has made application for a charter. Capitalized at \$25,000. W. H. Dorris, J. W. Denard, R. L. Wilson and J. A. Ward, of Cordele, are promoters.

Summit, Ga.—It is reported a new bank is to be organized here by Leonard Rountree and others.

Mulberry, Tenn.—The Citizens Bank has been organized with a capital of \$10,000. R. L. Farar is president, W. H. Derror, vice-president and J. N. Shofner, cashier.

Carrollton, Ky.—The German-American Bank has been organized. E. C. Smith is president and J. L. Boswell, cashier. The capital of the institution is \$25,000.

Hawkins, Texas.—The First State Bank is the title of a new chartered institution, capitalized at \$10,000. J. H. Cobb, B. J. Toney, T. P. West, H. O. Kay and others are interested.

Doucette, Texas.—The Guaranty State Bank has filed articles of organization, with a capital stock of \$10,000. Incorporators: W. E. Williams, H. M. Tucker and D. A. Sparger.

North Plains, Texas.—The North Plains Commercial Bank has been organized by W. E. Mays, J. C. Beach and W. L. Batcheller.

WEST

Superior, Wyo.—The Miners State Bank is a new enterprise.

Kimbal, Kan.—A new bank has been organized here. James Lowe is president and W. S. Marks, cashier.

Phoenix, Ariz.—Articles of incorporation of the Farmers and Merchants Bank have been filed. The capital stock is \$25,000. Incorporators are: F. S. Westfall, J. B. Westfall, W. F. Boling and C. L. Garber.

Lahoma, Okla.—First National Bank, of Lahoma, Okla.; capital \$25,000. L. A. Ferrel, president; Herman Muecke, vice-president; F. L. Godfrey, cashier; M. P. Ferrel, assistant cashier.

Brigham City, Utah.—Harold C. Day has been chosen a director of the First National Bank to fill the vacancy caused by the death of James Nelson.

Imperial City, Cal.—The Imperial City Bank has filed articles of organization with a capital of \$50,000. F. C. Paulin, A. J. Waters, Geo. Parkyns, Geo. Dennis, J. R. Stevenson, R. H. Benton and W. D. Garey are promoters.

Santa Monica, Cal.—The Merchants Commercial Savings Bank has been organized. G. W. Thomas is one of the prime movers.

EAST

Belmont, N. Y.—Belmont National Bank; capital \$30,000.

Tuckahoe, N. Y.—East Chester National Bank, Tuckahoe; capital \$25,000.

Williamsburg, Ohio—First National Bank of Williamsburg, N. T. Dailey, president; James H. White, vice-president, and James E. McKeever, cashier.

OHIO'S WOMAN BANK CASHIER

Columbus, Ohio, April 27.—For the first time in the history of the state a bank of which a woman is the cashier was certified as a depository of state funds by Treasurer Creamer to-day.

When the certificates of deposit were returned after the funds were awarded several days ago the one which came from the Hardin County Bank Company of Forest, Ohio, was signed by Ella N. Meyer as cashier. The incident aroused the interest of State Treasurer Creamer and he looked up the records, to find that no woman's name has ever appeared in that connection before. The bank was awarded \$10,000 of state money at 3.60 per cent.

WANTS NATIONAL BOARD OF DEPOSIT

Washington, D. C., April 25.—Representative Goeke of Ohio introduced a bill yesterday providing for a United States board of deposit, composed of the secretary of the treasury, chairman; the treasurer of the United States and the comptroller of the currency, the board to designate every two years, or more often if necessary, banks and trust companies eligible to be made United States depositories.

LINCOLN QUILTS PULLMAN CO.

Robert T. Lincoln has formally presented his resignation as president of the Pullman Company, effective May 1st. Mr. Lincoln retire on account of ill health, and John S. Runnells, now vice-president, will succeed him as president.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

minded, honest citizens. The attendance at Peoria ought to be a record breaker, even for Illinois.

MISS EMMA KOELLING of Farna, this state, has been elected school director. Miss Koelling is in charge of the ledgers of the State Bank of Farna, and is the first woman to be elected to office in that city.

GERMAN AMERICAN NATIONAL over at Fort Wayne publishes two axioms in its advertising which are attracting some attention. The sentiments probably are the results of the reverse English in which "she is wrote." The lines read:

"Every man ought to be able to say 'They know me at my bank.'"

"And 'every man' is intended to embrace every woman, at least every woman that handles any money."

A VISITOR to the East comments favorably upon Acting President Alexander's throwing open the president's room of the National Bank of Commerce—open to patrons of the bank. This is just what Mr. Reynolds did to the Commercial National officers' quarters when he moved in. It's good policy and it pays. Visitors should be put to no inconvenience.

PHILADELPHIA'S big Girard National has declared the regular semiannual dividend of 7 per cent, payable May 1st. The stock was placed on a 4 per cent basis at this time last year.

OLD COLONY TRUST AND SAVINGS BANK expects to open, in Chicago, about May 15th. The official line up shows: President, Thaddeus H. Howe; vice-president and cashier, Ralph C. Wilson, now an assistant cashier of the Continental and Commercial National; assistant cashier, Hugo Meyer. The \$200,000 capital has been placed at \$125 a share.

FRANK O. WATTS, president of the American Bankers Association, spoke at a banquet in Knoxville, Tenn., last week. The banquet was held by Knoxville bankers for the purpose of stimulating interest in organization work. Mr. Watts declared that the clearing house association are capable of doing great good, both for their members and for banking at large. He said that if there were such associations in all the large cities of Tennessee there would have been a state banking law passed along ago.

GREAT fleas have little fleas
Upon their backs to bite 'em

These in turn have lesser ones

And so on ad infinitum.

And so the A. B. A. Journal has a lot of little yellow fellows after it. When these little yellow fellows had things their own way at 11 Pine Street they were happy—and fat. But the association was then neither big nor happy. They have just as good a case as the ex-protective squad has. We hope they're out to stay.

THE JOURNAL is clean, bright, printed in good English, by Americans, and it stands for high things in high places. True it ended a lot of pretty graft and the yellows no longer print the proceedings book in Hungarian goulash, at their own price and their own count (Emphasis on "count"). The big council of the American Bankers Association knows what it wants, it isn't afraid of the clamor, and they are going ahead. So is the association. It is the little kicker who is standing still.

CASHIER.

H. P. Wright has been elected a director of Booth Fisheries to succeed A. I. Valentine.

Currency Problem

By H. M. P. ECKARDT.

It is sometimes argued, in discussions of banking questions, that owing to the increase of the practice of transferring credits by check the usefulness of bank notes tends to decline. Bankers explain that a very large percentage of the deposits received by them consists of checks on drafts, or proceeds of loans and that the quantity of cash—bank and government notes and coin—paid in over the counter tends to decrease relatively year by year. This is largely the result of the spread of education as to the advantages of keeping a bank account and paying by check. Also the movement is helped along by the establishment of banking facilities in new places and localities. However, notwithstanding all this, it may be asserted, with confidence, that payments in coin or paper money will never be obviated; no matter how perfectly the business of issuing checks is developed there will always be an important work to be performed by currency. There are thousands of small villages in the United States which have no banking facilities. In these little places the payments are made chiefly by means of cash. Then, in the cities and towns, it is the case that a large proportion of the wage and salary payments must always be made in cash. And every individual who finances his own affairs, whether he lives in town or country, whether he has a bank account or not, finds it necessary to have on his person or within easy reach a certain amount of ready cash. The city man who may have drawing accounts in several banks often makes purchases in stores or places of business where he is not known. Sooner than enter into an explanation regarding the "goodness" or worth of his check he will put his hand in his pocket and pay in currency. Travelers must always have money in pocket. Buyers of live stock and farm produce in most cases are required to put up hard cash upon delivery of the animals or products purchased by them. And for dozens of other purposes cash will always be in demand.

Now, the question as to what this cash shall be composed of is most important. In England the circulating medium consists nearly altogether of gold coins and Bank of England notes. In France it is gold and silver and notes of the Bank of France. Everybody knows that a currency largely composed of gold coins is a most expensive luxury. Only very wealthy nations can afford it. In both of the countries referred to the central or state bank has a virtual or practical monopoly of issue. I would direct attention to a paragraph of Hon. E. B. Vreeland's address to the Pennsylvania Bankers Association in 1909 which refers to banking conditions in France. He says: "In France there are to-day only three great commercial banks outside the Bank of France. They cover the country with their branches. The thousands of local banks which formerly existed have largely passed away." That the thousands of small local banks should have passed away in France, and that they should be rapidly disappearing in England, is not strange. That system of banking has been proved to be wasteful, inefficient and liable to destructive panics wherever it has been in operation; and wherever the laws have permitted the banking business to develop naturally and freely it has done so along the lines of the branch system. I think I am safe in saying that one result of conferring upon the Bank of France a monopoly of note issue and other special privileges is found in the centralization of the banking business of France, outside the Bank of France, in the hands of three great institutions. If there had been no monopoly of issue in France; if banks of a certain size might issue their notes against general assets, I ven-

ture to say that there would be more than three great banks in that country outside the Bank of France.

And similarly in England, if there was no monopoly of issue, or practical monopoly; if the English joint stock banks possessed the right to issue, I am sure that their customers—the business men and individuals and families—would be generally receiving more valuable service at the hands of the banks at less cost than is the case to-day. And I do not think the currency of England would be on a less stable or less secure basis than it is at present.

I am under the impression that the public in the United States has no idea of the important part the right of note issue plays in enabling a good commercial bank to provide superior facilities at low cost to its customers. Generous right of issue given impartially to all banks measuring up to certain requirements operates most importantly to supply good banking facilities to small places, to lower rates of discount and increase deposit rates, and also to increase the supply of credits available for worthy borrowers. I admit, of course, that they can be exercised best by branch banks. But I am thoroughly convinced that in due time the United States will be compelled to adopt branch banking in order to enable American business men to compete on equal terms, as regards banking support, with the business men of other countries.

Having regard to the great importance of issue rights in enabling banks to perform good service cheaply for the public it seems to me that it would be unwise to endow a central bank, or a central reserve association, or any other body with a monopoly of issue or with special privileges which would militate to prevent or check the development of the banking business in such manner as to give the public the maximum of benefit. If a central organization is created and endowed with monopoly of issue and other special privileges who shall say that the United States will not follow France's lead. In the course of ten or fifteen years there will very likely be a livelier consciousness of the advantages of branch banking. Then when the laws permit that form of business the existence of the monopoly just referred to might perhaps work in the direction of concentrating in very few hands the banking business of the country.

GUARANTY TRUST ORGANIZES CLUB

The employees of the Guaranty Trust Company of New York have organized the Guaranty Club for the purpose of promoting good fellowship among its members, and, by means of its various functions encouraging banking and financial education, fraternity, good health, wise investment and intelligent co-operation. Among the more important activities of the new club may be mentioned an annual dinner, an annual field day, a series of inter-department games by the various athletic organizations within the club and addresses by prominent financial men at the monthly meetings. A library of financial and kindred books will be established. A savings department with a profit sharing feature for the exclusive benefit of the members of the club has been organized, and a substantial sum is already on deposit. Investments from this department will be made under the supervision of the officers of the company. The organization of this club is in line with the modern and progressive policy which characterizes the Guaranty Trust Company of New York. The officers of the Guaranty Club are F. W. Ellsworth, president; J. H. Thompson, vice-president; J. J. Lewis treasurer; Hy. R. Wohlers, secretary.

Swift & Company have elected F. S. Hayward secretary, to succeed the late D. E. Hartwell.

The Brandt Automatic Cashier

SAVES

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Saves 25% in time.
Prevents errors.
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Pressing ONLY ONE KEY Completes the Transaction

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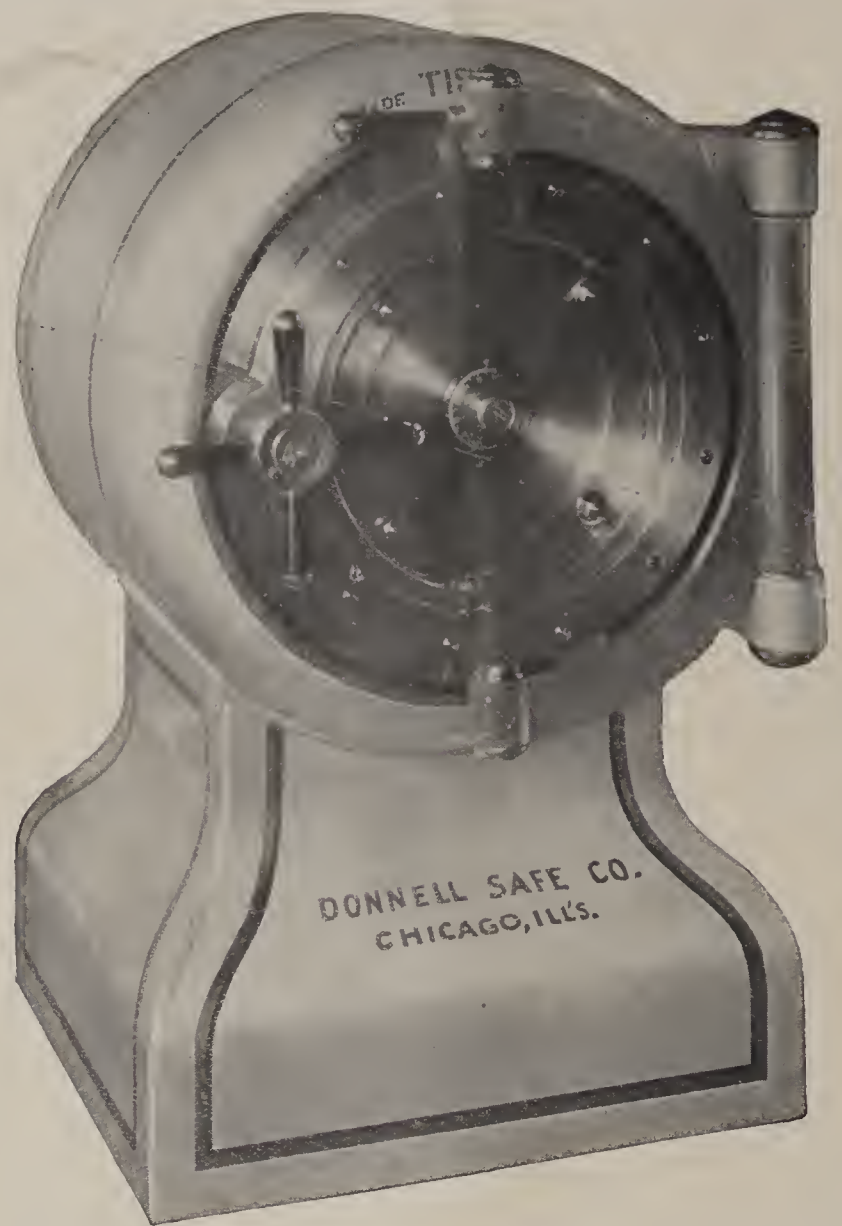
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,000,000
Deposits - - - 28,000,000

OFFICERS

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General Western Agents for the York Safe & Lock Co., who have the best equipped safe factory in America. Their Manganese safes are superior to any in the market and we will furnish you with insurance for \$3.50 per thousand for three years. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal if not superior to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second hand deposit boxes that are modern and good as new.

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FOURTH STREET NATIONAL BANK

OF PHILADELPHIA, PA.

Capital - - - \$3,000,000.00
Surplus and Profits - - 6,400,000.00

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The Girard National Bank

OF PHILADELPHIA

Capital, - - - \$2,000,000.00
Surplus and Profits, 4,450,000.00
Deposits, - - - 38,500,000.00

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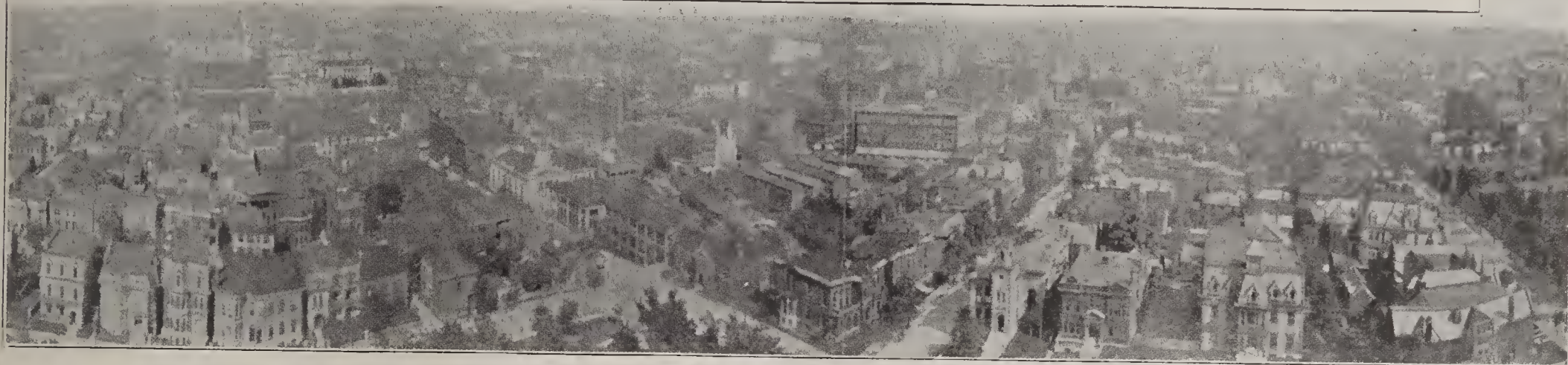
A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MAY 6, 1911

Entered as Second-Class Matter January 15, 1903, at the
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10 CENTS A COPY

BIG COUNCIL MEETING AT NASHVILLE



Nashville, Tenn., May 3.—The leaders of the great American Bankers Association have been paying their respects to Nashville, and to their own honored chief, President F. O. Watts, for four days. Also been having the times of their lives. The arrival of the big Chicago Special, over the C. & E. I. Ry., in charge of General Agent A. B. Schmidt found a repetition of the Los Angeles welcome. It wasn't necessary to



of America. The tillable soil reaches down to mineral wealth that is seemingly inexhaustible. The soil itself produces every fruit and vegetable not confined absolutely to the tropics.

With a climate neither hot nor cold, with extremes of temperature closer together than in any other section of the world in a healthful latitude, with both vegetable and animal life of the entire section as near perfection as they



Busy Scene in Court Square

say "Glad to see you." The welcoming committee looked and acted the part. Touring was the order of the day, about the city and out over the beautiful country boulevards to The Hermitage, Belle Meade, National Cemetery, Vanderbilt University, Peabody College, Capitol grounds, the Confederate, the Polk and the Jackson monuments, the park with its replica of the Parthenon, and the beautiful coun-

try club where not a few remained to try the bunkers.

Nashville, Tennessee, has natural advantages of situation and surroundings that are manifest to the stranger. Situated in the heart of the famous blue-grass country, the exhaustless



View of State Capitol

can be found, Nashville is peculiarly well situated and endowed richly by nature.

That the climate of Nashville is neither too hot nor too cold, is shown by the statistics of the United States weather bureau station, as taken during the 31 years it has been located in Nashville. In this time the mean temperature for the coldest month in the year, Janu-

(Continued on page 27)



The Parthenon — Centennial Park

fertility of which is known to the world, its resources practically are boundless. The green hills of Middle Tennessee stretch away from it in every direction, and in these forests that break the evenness of the view from the dome of the state capitol are to be found every commercial timber known to the Eastern part



Hermitage—Home of "Old Hickory" Jackson



Post Office and Custom House

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

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WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary
EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Surplus and Profits \$10,000,000

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WILBER HATTERY - - - Assistant Cashier
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FRANK L. SHEPARD - - - Auditor
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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

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Officers
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Assistant Secretary

GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
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Bayne, Ring & Company Commercial Paper Bankers

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ESTABLISHED 1873

Capital - \$1,250,000
Deposits 10,000,000

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

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Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

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Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

THE following paragraphs were written from Nashville, but not all of them had the approval of the executive council. The council did decide (so Mr. Huttig said) that hereafter all chairmen of special committees must be golfers so that the committee meetings shall be called at and keep reasonable hours.

MR. HUTTIG was one of the most persistent of the visitors and turned in some wonderful (?) scores. President Watts, a very talented golfer, found how difficult it is to be showing a lot of visitors how to play the various holes and to keep up to his own game. Yet Mr. Watts is a remarkable man and hospitality comes as easy as it does to Col. Schwab who didn't let a visitor pay for anything to eat or—well not if they came under his vision.

GEORGE M. REYNOLDS was quite as enthusiastic over the dry-as-dust Aldrich plan as the golfers were over their games. Very few men can concentrate beyond the possibility of disturbance upon such a subject. But with it all he called every A. B. A. man by his right name upon sight. This is a remarkable faculty and one other visitor is famous for it. James M. Donald of New York knows almost as many men as know him, which is going some.

L. E. PIERSON took a handicap of (only) 35 in the blind bogey. Mr. Pierson seemed to think the more the better and he topped Ralph Van Vechten's 31; and (as was expected by everybody else) played away below the mark.

NOW as to Colonel Schwab (and the Junior Schwab) let it be said he is the pride of his fellow citizens for whom he seems in large part to live. So rich that many people marvel that he at the same time is the most popular man in the state. May his love of life and live people remain as steadfast as his game.

GEORGE F. ORDE came 'way down to Nashville to show what a man in amber colored glasses could do to a golf ball. Really the effect at times was a thing to see. Try a pair! They're a bully excuse for lots of things.

JAMES B. FORGAN had his clubs along (also Mrs. Forgan) or a few more of the native bankers might have had the conceit taken out of them. His orator-of-the-day address on the new currency plan was the event of the meeting. It is fine when men of such pronounced attainments will come out at the request of the A. B. A. and sum up perplexing questions for the benefit of all concerned.

CAPTAIN J. B. STONE settled the 1912 convention question for the council with his trusty argument that the council should meet in Detroit.

THAT will be the president of the officer's chair. The year the council met in Chicago. The captain came down to Nashville with the papers all made out, signed by the clearing house and all the civic and business organizations.

He said no protest would be tolerated and he had it all his own way.

DETROIT will have a half million by 1912, (more the captain says) and is one of the most beautiful and interesting cities in all the commonwealth. The auto factories will draw well and some fine "demonstrations," are to be expected. Oh yes, we voted for Detroit.

BOSTON seems to be about the only city of any pretenses to first rank distinctions which is entirely too backward to send out a hurry-up call for the A. B. A. to meet "in her midst." We haven't given up hopes.

EDITOR PATON (not being otherwise engaged) issued a special bulletin to let it be known that the distinguished author of that beautiful ballad: "Meet me in St. Louie, Lewis," was present in Nashville, disguised with a large handicap, looking for matches (and balls) at golf. And if you think that that same St. Louie, Lewis can't flatten a baby dimple (meaning balls of that name only) you have something coming to you. Nothing else we've ever seen but a mountain howitzer can put 'em so far over the brow of the hill.

THEN there's L. H. Dinkins. He walked up to one of us who weighs 210 in his athletics and said after a warm shake, "My! My! Joe, (meaning Chapman) but you're getting fat." Now whose treat is it?

FRED I. KENT was called off to Washington just as he'd begun to feel confident at the circus ring hole.

L. P. HILLYER was up from Georgia and A. V. Lane all the way from Dallas. Sartori came clear from Los Angeles and altogether it was the best and biggest meeting the council ever held.

CHAIRMAN HUSTON (of Mr. Watts' bank) is to blame for every thing that went wrong at Nashville, for he was chairman of every trouble finding committee there was. He had a whole fleet of automobiles at his command and the town did his bidding. Knowing that nothing went wrong let us all give credit where it so richly was earned.

WOODROW WILSON had a warm champion present in Col. Howe of Princeton, N. J. Bankers like the governor so well that Col. Howe found plenty of willing listeners. We propose that the Colonel come with the governor to the Illinois convention at Springfield, as a special number on the program, just to make it more interesting.

GEORGE F. ORDE has had unusual bad luck at golf lately. Down at the Briarcliff meeting the boys introduced him to "a Mrs. Atkinson" for a game and Orde came in both "down" and downhearted. Mrs. A. was the champion of California. That was a good joke and the boys never forgot it.

AT Nashville they worked the trick again. G. F. was put up to play with Mrs. Daly and came in badly worsted. Mrs. Daly is champion of Tennessee and prospective winner of the

coming Southern Association tournament, for which she is in daily training. Furthermore, Mr. Orde tied with J. B. Forgan for the Bankers' Cup put up by Mr. Watts and lost to the veteran on the toss of a coin.

HEREAFTER the Minneapolis expert is going to play only with ladies not in the champion class, "for safety."

TWO of the best and most scientific golfers of the tournament were Oliver C. Fuller and John Perrin. Masters of form, of etiquette and of coolness—well there is your correct man of the links just as you've imagined him to be.

H. A. SMITH, of the Commerce, New York, put in a happy, busy time. He voted Nashville for winner every time when it comes to refined, non-obtrusive hospitality, and for beautiful and cultured womanhood. Yes, and he's a good judge in such matters.

THIS is about L. A. Goddard. They have a prohibition drink in Nashville called a "Caskade," recommended especially for golfers. It works, too, for by using up a couple of Caskades between rounds Mr. Goddard reduced his score ten strokes. Any sort of liquid having such an effect ought to be very popular on the links. More than one banking golfer will be followed home by a case of the "beautiful as moonlight" stuff which works such wonders with Col. Bogey's difficulties.

LEWIS E. PIERSON was nominated for congress and F. O. Watts for secretary of the treasury. This was done on the links of course, but keep your eye on this pair.

NINETY per cent of the fuss about the next convention site was caused by one railroad trying to locate it at one or other end of its long lines, and by advertising solicitors who hold advance, contingent contracts. Less and less attention is being paid every year to these undignified influences. At Nashville they were utterly ignored, as they deserved to be.

NEITHER did the "yellows" who were going to do things to Col. Farnsworth and the association "Journal" get one willing listener. Note the subtle meaning intended to be conveyed by the word "willing."

IF Mr. Forgan can again side step the presidency by refusing to go to the head of the council he will be a dandy. He is said to be thinking of retiring from many of his present activities on his 60th birthday which comes next year. What a pity such men cannot be made president without going through the chairs.

WE are not going to repeat a few abrupt remarks which came from the gentle Mr. Huttig on two or three occasions. But the greens were very trying. Likewise the long grass.

CASHIER.

J. A. LATTA'S FATHER IS DEAD

P. A. Latta, superintendent of schools at Saugatuck, Mich., is dead at the age of 73. His wife survives him. J. A. Latta, vice-president of Northwestern National, Minneapolis, is his son.



COLONIAL TRUST AND SAVINGS BANK

205 La Salle Street, CHICAGO

JACOB MORTENSON, Vice-President
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We offer a convenient and efficient service to those desiring a Chicago connection

Capital, Surplus and Profits
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La Salle and Monroe Streets
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THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

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O. H. SWAN, Asst. Cashier
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TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis is the logical Twin City connection.

Resources, \$26,000,000.00

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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

NATIONAL
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OF CHICAGO, ILLINOIS

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LETTERS OF CREDIT ISSUED

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Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

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CHARLES G. DAWES, ex-Comptroller of the Currency

James B. Forgan

ville conference, on the possibilities of Senator Aldrich's suggestions for monetary legislation

The distinguished financier addresses the members of the American Bankers' Executive Council, at the Nashville conference, on the possibilities of Senator Aldrich's suggestions for monetary legislation

Students from the standpoint of political economy and bankers from the standpoint of practical experience have long been agreed upon the defects of our national banking system. Of those defects I shall point out three, which I believe to be the most serious in our banking methods, and shall then endeavor to show how they would be corrected through the operation of the financial plan suggested by Senator Aldrich.

The first defect of our present system to which I shall refer is the practical impossibility of uniting so large a number of banks, or any considerable portion of them under a common policy of action, such as might, under unfavorable business conditions, avert anticipated financial trouble and allay the public distrust produced by it. I refer, in other words, to the lack of co-operation or cohesiveness among the units of the system.

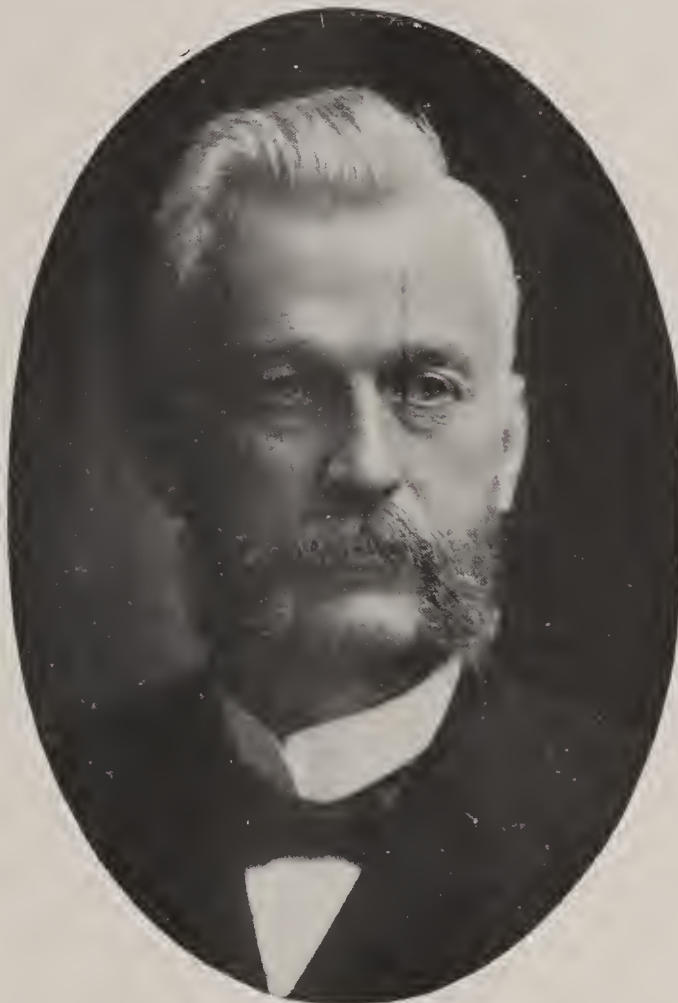
Second. The extravagant and wasteful use of reserve money caused by the requirement that each bank must individually control its own legal proportion of it. Under this requirement the gold and legal tender money of the country is divided into as many separate portions, under as many different controls as there are individual banks. The greater the number of banks, the more apparent the evil of this condition becomes. The result is that the legal reserve money of the country, which might be massed for the benefit and protection of all, as is done in banking systems worthy of the name, is distributed for the ineffective, individual protection of each. Even under normal conditions the effect of this distribution of reserve money is injurious to financial and commercial affairs. It affords no equilibrium between the fluctuating commercial demand for money or credit instruments and the supply of these commodities through the banks. In times of financial stress it becomes evident that our legal reserve money, when so distributed, although the aggregate amount of it is undiminished, is quite ineffective in protecting the banks individually and a collapse of the system becomes imminent.

Third. The further waste from an economic standpoint caused by the direct use of so much legal reserve money in ordinary business transactions. Our system provides no substitute for legal reserve money except government bond secured bank notes, which are as inflexible and as irresponsible to fluctuations in the commercial demand for circulating medium as legal reserve money itself.

The responsibility placed upon each bank of maintaining and defending its own fixed portion of reserve money, not only makes co-operation under normal conditions, practically impossible, but on the first suggestion of financial trouble throws them into a state of complete demoralization, each one striving, in competition with all the rest, for the reserve money deemed necessary for its individual survival. Then it becomes evident that we have no banking system worthy of the name and the condition prevailing could best be described as a strenuous case of "the survival of the fittest" and "devil take the hindmost."

Just when, under a properly organized sys-

tem, the banks would be looked to as the mainstay and support of a doubtful business situation, for lack of such a system, they fail miserably to inspire the public confidence that should be reposed in them and fail even in the performance of their ordinary functions. They dis-



JAMES B. FORGAN
Chicago

integrate when they should coalesce. They display individual weakness when they should demonstrate united strength in face of the common enemy—public distrust. In fact, their inability to co-operate produces public distrust.

Their individual scramble for reserve money withdraws it from the centers and widely distributes it just when it should be concentrated for a demonstration of strength. Furthermore, lacking the strength, begotten of unity, and fearing that such individual strength as they may have will soon be exhausted, banks, at such times, reduce loans and almost discontinue the performance of their principal function, that of exchanging credits with the business community. Thus, under unfavorable business conditions, they become the cause of panic, instead of being able, as they would be under proper organization, to render the assistance necessary to allay fear, tide over temporary difficulties and prevent the financial upheavals, to which we have become so accustomed that we regard them as periodically inevitable.

Although we have been practically agreed as to the defects of our national banking system we have been far from agreeing as to a remedy for them. Let us now review the remedy suggested by Senator Aldrich in his plan for

monetary legislation and investigate its possibilities.

He proposes to secure united action among the banks by organizing them into, first, local associations of not less than ten members, whose capital and surplus shall aggregate not less than \$5,000,000. These local associations are to be grouped into fifteen divisions, to be known as districts. In each district shall be established a branch of the National Reserve Association.

All banks, members of local associations, shall be stockholders in the National Reserve Association to the extent of 20 per cent of their individual capital, one-half of this stock to be paid at once in cash, the balance to remain a liability subject to call. Each such shareholding bank will do business direct with the branch of the National Reserve Association in its district.

Without disturbing the relations now existing with their legal reserve agents, the member banks will deposit with the National Reserve Association so much as they desire of the legal reserve which they now keep in their vaults and such deposits will still count as part of their legal reserve.

Each bank will have the privilege of rediscounting direct with the branch of the National Reserve Association in its district paper having not more than 28 days to run to maturity, while, through the local associations and with their guaranty, banks may rediscount paper having not more than four months to run.

By an ingenious and equitable method of electing directors of the local associations and, through them, the directors of the district branches and again through the branch directors the directors of the National Reserve Association the banks are given control of the personnel of these boards, except that the Secretary of the Treasury, the Secretary of Commerce and Labor and the Comptroller of the Currency are ex officio members of the board of the National Reserve Association. Thus, the banks will have the power of selecting the boards that will supervise them, direct their general policy and control for them their legal reserve money.

Copies of the reports made by national bank examiners regarding the condition of individual banks will be sent to the executive officers of the National Reserve Association.

Thus, first through the local associations, then through the district branches and finally, as a court of last resort, through the Governor and directors of the National Reserve Association itself in Washington, a supervision of all the banks will be maintained and unity of action among them will not only be made possible, but will be practically enforced without infringing on the proper prerogatives of any.

A new criterion will be established by which the strength of the individual banks will be judged. A means of converting their liquid assets into available cash will be provided and the question will be, what proportion of each individual bank's assets is in condition to be so converted. The proportion of a bank's assets available for rediscount with the National Re-

(Continued on page 17)

Successful Meeting of Louisiana Bankers Association

Baton Rouge, La., May 3.—Louisiana Bankers Association has held one of its greatest sessions here. The attendance embraced all parts of the state, with visitors from other sections of the country. Social features were numerous and delightful.

Among the addresses was one on "Municipal Bond Issues" by Horace L. Oakley of Chicago. Many of the speeches were notable for earnestness and strength.

Secretary Broussard reported a total membership of 201. There are 31 national and 199 state banking institutions in Louisiana. The secretary said that earnest efforts were being made to enroll all non-members.

Boost for Baton Rouge

Mayor Jules Roux of Baton Rouge in his address of welcome to the bankers said:

"The Baton Rouge of to-day is not even the Baton Rouge of two or three years ago when you were our honored guests. You doubtless note improvement and progress on every side, in that brief period of time. While showing in a measure, the misfortune which has visited the cotton growing sections of the South, the stupendous impetus which our city and section has had in the way of material and industrial progress, brought about by the building of new railroad lines, the advent of the Standard Oil Company of Louisiana, and its accompanying expenditure of hundreds of thousands of dollars here in constructive work together with the large increase of pay rolls and wage earners, has placed us in a particularly advantageous position, while other communities have suffered serious depression.

"It is only in recent years that the outside world has begun to appreciate Baton Rouge as the logical point for the crossing of the great trunk railroad lines. We who reside here and who have noted the glorious gifts bestowed upon us by nature, have been proclaiming these truths for lo, these many years, but it has been, until the last few years, like a voice crying in the wilderness.

"We are free and candid in our expressions of good will and gratitude to that great, though often abused corporation, the Standard Oil Company for its share in the effort and the result of discovering our matchless position to the rest of the world. We have only good words and kindly praise to what is known as the Louisiana branch of that corporation for what it has done and is yet doing to help us while it is helping itself."

Relation of Bankers to Trade

W. B. Thompson, president of the New Orleans Cotton Exchange, delivered an important address on the financing and selling of cotton. He said in part:

"The banker's position in the trade economy of the nation is one of paramount importance and of supreme responsibility. The banker controls the medium which makes possible the profitable exchange of commodities and efforts; and he is the depository of the negotiable representative of the people's wealth. Upon his initiative and acquiescence depends the development of enterprise, the multiplication of opportunities, and the economic movement of the products of forest, field and mine from the point of origin, through the course of manufacture to the goal of ultimate consumption; and upon his integrity and discretion rests the conservation of not only the resources of the man of wealth, but of the savings of the widow and the fatherless. He is at once the custodian of the people's power, and the repository of the people's faith.

"The bankers of the South, and more particularly those of Louisiana, have risen to an adequate conception of their honorable calling

and of their comprehensive obligation. In the banking history of the state the percentage of unworthy representatives is so small that it may be called infinitesimal; while the factorship of our banks in the progress of business enterprise and in the development of our great natural resources, is past all computation.

"The Louisiana cotton crop during the past two years, by reason of the ravages of the boll weevil, conjoined with a succession of unfavorable seasons, has fallen off from approximately one million bales to one third, or less than one third, of that total. This is a serious curtailment, and not only the farmers and merchants, but all lines and divisions of business, have suffered from the heavy loss entailed. Still the crop, even at its present low ebb, represents an average annual increment for the state of approximately nineteen million dollars. It is not to be believed that a soil so prolific as ours and a country so peculiarly adapted to cotton production, will for long remain in its present condition of eclipse.

"In all the years that have gone before, the cotton producer has labored under a double burden; it has cost him too much to make his crop; and he has realized too little therefor when sold. The farmer makes the cotton and then dumps it upon the market. Spinners provide for current needs and the surplus is sold for what it will bring, to middlemen who whisk the greater part of the crop through our ports to foreign centers of accumulation. From these foreign centers the surplus is distributed throughout the year as demand calls for supply. The foreign owners of the cotton thus reap the benefit of gradual marketing; the foreign warehousemen and foreign labor secure the remuneration for storing and handling these great stocks; and the foreign banks and foreign insurance companies and all collateral lines of business, secure the profits that accrue from the carrying of this great world desired commodity.

"In former years the precipitate outflow of the crop was primarily the result of the farmer's necessities. The crop was made largely on the credit basis, and when it was ready for the market, those who had advanced money and supplies thereon called for payment, in order that they in turn might meet their own obligations which were made to mature at this particular time. In recent years the farmers have to some extent liberated themselves from the

bondage of the credit system and are, therefore, not all obliged to summarily dispose of their crop. But even the independent farmers do not to any adequate extent realize the logical advantages that should come as the result of gradual marketing. This is because, under present conditions, the local and domestic facilities for holding cotton are so insufficient, and the expenses of warehousing and handling are so considerable, that the profit which should be realized by marketing over the twelve months' period, is offset by the cost of such equitable distribution.

"If we desire to establish great holding and distributing centers at the ports of the Southern States in the place of those established in foreign ports; if, by the concentration of demand and the regulation of the volume of supply, we would raise the level of prices at which the farmer would sell his entire crop; if we wish to transform these hoped for Southern distributing markets from financial dependencies into independent money centers, we must direct our attention and effort toward some constructive movement, by means of which conditions will be created at such ports, which will enable the owner of cotton to carry it at the minimum of expense and to secure thereon such documents of ownership as will invite loans at the minimum rate of interest. Such a consummation would in turn bring large shipments of cotton to such market, and attract buyers thither for supplies; would bring money and business to the banks; and would hasten the great day when the South would have direct exchange connections with Europe and not be dependent upon the tyranny or the exigencies of intermediaries.

"At the last general election, the people of this state by constitutional amendment, authorized the Board of Commissioners of the Port of New Orleans—or the Dock Board, as it shall be hereinafter called—to erect and operate warehouses and other structures necessary to the commerce of the port of New Orleans. This public utility when in effective operation will place, not only the cotton farmer, but the producer of other agricultural commodities, in a position of vantage which he has never occupied before. Under this plan, storage and handling facilities of the highest efficiency will be available at the absolute minimum of charge; and the receipt, or negotiable representative of the housed commodity, will have a significance and value unique in our commercial history.

"The first exercise by the dock board of its recently extended authority will probably take form in the construction of a system of cotton warehouses at the port of New Orleans. Through economies effected by concentration of effort and centralization of facilities; by exemption from taxation; by elimination of profits to stockholders; and by the general retrenchment made possible through public ownership; it is confidently expected that the charges hitherto imposed upon cotton in the course of marketing will be reduced by more than one half, and it is hoped, by very much more than one half.

"The system of warehousing, handling and movement heretofore and still prevailing—which system it may be observed in passing is largely responsible for the present subordinate position of our domestic cotton markets—is defective in two important particulars. Not only are the charges and expenses excessive, but the storage receipts lack currency and the lading documents are the objects of justified suspicion and have in recent experience become the instruments of flagrant fraud.

"The storage receipts issued by warehousemen are backed only by the solvency and character of the issuer.

(Continued on page 8)

Bank Reserves

High grade short time obligations of standard corporations fulfil in a marked degree the requirements of a secondary reserve for banking institutions, possessing as they do the following characteristics:

Freedom from violent fluctuations;
Ready convertibility into cash;
Liberal income return.

We have a selected list of short time securities netting from 4¼ to 6 per cent, which are appropriate investments for banks, bankers, and trust companies. We will be pleased to send a list of these upon application.

Ask for our Circular M-124

Guaranty Trust Company of New York

28 Nassau Street

Capital & Surplus,	-	\$23,000,000
Deposits	-	\$133,000,000

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - - \$1,500,000
 Surplus and Profits 500,000
 Deposits - - 21,000,000

WM. A. TILDEN, President
 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
 THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908 \$ 9,887,954.84
 February 5, 1909 11,617,691.21
 March 29, 1910 15,041,357.21
 January 7, 1911 16,736,997.29
 March 7, 1911 21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Farwell Trust Company

CHICAGO, ILLINOIS

DEALERS IN

BONDS

CORRESPONDENCE INVITED

ILLINOIS BANKING NEWS

By C. C. Burford

The Springfield Commercial Association has been permitted to incorporate by Secretary of State James A. Rose. A number of Springfield bankers are interested in this public-spirited corporation which will seek "to advance the commercial, industrial and public interests of Springfield and vicinity, to maintain a credit rating bureau, and to publish a daily bulletin of record transfers. This association shall not advocate or become involved in partisan politics."

The maintenance of the credit rating bureau is an interesting part of the work to be undertaken and it can be made beneficial to merchants and bankers.

Bank Robbery at Kilbourne

Yeggmen blew the vault of the bank at Kilbourne and secured and destroyed about \$3,000 in money. Much of the currency was blown to atoms by the explosion. The men did not seem to be amateurs in the work. They were tracked to the railroad and the village people believe that they escaped on a freight train which was standing at the station. Kilbourne is a village a few miles south of Havana.

Pierik Leaves Springfield Bank

Herman Pierik, vice-president of the Sangamon Loan and Trust Company of Springfield, presented his resignation at the annual meeting of the directors held Monday afternoon, May 1st. Mr. Pierik will devote his entire time to the real estate investment business and to the presidency of the Home Building and Loan Association. There were no other changes in the personnel of the bank forces.

Tremont Banker Resigns

G. F. Hillman, cashier of the First National of Tremont, near Peoria, has resigned his position. He insisted upon loaning sums of money to horse buyers of that vicinity against the pro-

test of his directors. Although Mr. Hillman is not guilty of any actual shortage yet he has lost \$5,000 because of loans to the horsemen as he made good the loss of the bank. In this case the directors of the bank really directed its affairs and the cashier failed to make good the loss to the bank.

Illinois Notes

Many Illinois cities plan "booster" excursions in their vicinity to make friends for the business interests and banks of their city. One of the latest excursions is that of two hundred business men of Rock Island who have taken a jaunt over the Rock Island Southern railroad, an interurban line, to Monmouth, Aledo, and intermediate points. Tri-City business men

are active and the industrial life of Rock Island, Moline, and Davenport, reflects this activity. The Rock Island Southern will probably be extended from Aledo to Muscatine, Iowa.

The McLean County Bank of Bloomington announces "while only seven and one-half years old, the deposits of this bank at our last statement to the state auditor showed \$675,000. We have made a steady growth each year due to conservative methods and courteous treatment to all." Lee Rust is the president and James P. Hackett is the cashier.

Joseph Landauer, a director of the First National of Lincoln, and a prominent merchant of that city, is dead. He was one of the wealthiest men in Logan county and had been identified with the business interests of Lincoln for a quarter of a century. He was a native of Germany and had re-visited his native land several times. A trip there had been planned for this summer but the ill health of Mr. Landauer made it necessary to cancel the outing.

THE HANCHETT BOND CO., Inc.

L. A. TROWBRIDGE, President WM. F. HANCHETT, Vice-President

CITY SCHOOL COUNTY DRAINAGE BONDS

39 South La Salle St. Telephone Central 4534 CHICAGO

F. E. FARRELL Established 1864 E. E. CRABTREE

F. G. FARRELL & COMPANY, Bankers
Successors to First National Bank
JACKSONVILLE, ILL.

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ILLINOIS

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WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.

MOLINE
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BONDS

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ILLINOIS ADVISORY BOARD

Charles G. Dawes, Resident Vice-President

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Joyce & Company
(Incorporated)

General Agents

The Rookery Chicago

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,430,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,057,000.00

OFFICERS

Howard W. Lewis, President

Henry B. Bartow, Cashier

John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

Deposits over - - 24,000,000

OFFICERS

L. A. GODDARD, President

JOHN R. LINDGREN, Vice-President

HENRY A. HAUGAN, Vice-President

HENRY S. HENSCHEN, Cashier

FRANK I. PACKARD, Asst Cashier

C. EDWARD CARLSON, Asst. Cashier

SAMUEL E. KNECHT, Secretary

WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



IF YOU HAVE NO CORRESPONDENT IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



LOUISIANA BANKERS

(Continued from page 6)

acter of the individuals or corporations operating the plants. These receipts may be supported by ample responsibility or by nothing, and whether a given receipt belongs in the one class or the other, is known only to the business community where the warehouse is located. While it must be observed in justice to the warehousemen of New Orleans, that their guaranty has been always sufficient; still the basis of confidence in such receipts is largely a matter of specific personal knowledge of individuals or corporations, and they are, therefore, not generally current outside of local limits. The frauds recently perpetrated through the instrumentality or through cotton bills of lading have brought condemnation upon this system of movement, and have to an extent discredited the same.

"Hence the public warehouse plan, of large import under any and all conditions, becomes supremely significant in the present exigencies of the trade. The warehouse operated by a sovereign state through one of its boards of administration will be known wherever cotton is known and its receipts will be current throughout the financial world.

"Hitherto I have discussed the physical phase of cotton marketing, or that branch of the subject which has to do with the actual handling, storage and movement of the baled commodity. But there is another side to the problem. There are certain necessities of the trade and certain protective usages thereof which require consideration in the formulation of an efficient and balanced system of marketing. We must provide not only for present, but also for future conditions. If we would encourage the accumulation of large stocks for gradual distribution, we must not only supply the best, cheapest and safest facilities for carrying the stocks, but we must supply the owner with all possible safeguards against the risks incident to such carrying. A brief analysis of the theory and operation of future trading, and a limited application of the principles thereof to the subject

in hand, namely, the safe and economic marketing and financing the crop, will answer the demands of this occasion.

"Future trading does not increase speculation in cotton; on the contrary, it materially diminishes such speculation. Moreover, it places the burden of speculation upon the few who are willing and best able to bear it, and relieves the many who are unwilling and unable to assume the risk. Future trading tends to confine speculation to a limited class of traders in contracts, and thereby makes it possible for a multitudinous class to transact a non-speculative business in spot cotton.

"Note the advantageous position of the banker who is carrying a commodity for which there is a future market. Again take the case of cotton. In times of depression or panic, when prices have declined to a point which exhausts the proper loan margin and the borrower is unable to respond to call, the banker is not condemned to the alternative of taking the risk of a still further decline and loss, or else of dumping the collateral upon a dead and unresponsive market. He can require the borrower, or he

can himself, sell contracts for future delivery, sufficient to cover the collaterals in hand; and then it makes no difference how much lower prices may go, he is secure. And should the banker want the money which he has advanced upon said collateral, he can realize by delivering the cotton on the contract when the same matures, and is not obliged to wait an indefinite time until normal trading conditions shall again prevail; or else he may ship the cotton out to a foreign market where a less strained situation may exist, and there sell and realize; in which case it makes no difference how much prices may have declined while the cotton is in transit, he will recoup such loss with the profit on the contracts he has sold."

Bankers Return

Messrs. W. R. Dawes, cashier of Central Trust Company of Illinois, C. Corey of Harris Trust & Savings Bank, John F. Hagey, assistant cashier of the First National Bank, and L. H. Grimme, cashier of National City Bank of Chicago, the four bankers who accompanied the delegation representing Chicago Association of Commerce that made the two weeks' trip through Texas, returned Monday. Wednesday noon they were, with the other members of the delegation, accorded a hearty reception and welcome by members of the Ways and Means Committee of the Association at the regular meeting of the Ways and Means Committee at La Salle Hotel. All of the bankers who made this trip expressed themselves as heartily pleased with their experience and expressed the opinion that Chicago as well as Texas had been greatly benefited by the trip.

GUY M. BUTTS A CALLER

Cashier Guy M. Butts of Wesley Exchange Bank, Wesley, Iowa, was a caller at Continental-Commercial the fore part of the week. He told of more active banking and better times generally in Iowa.

The Canadian Northern has bought \$105,000 tons of rails, costing \$3,250,000.

Private Banks Wanted

We are in the market for two or three well located private banks (small state banks considered). Give detailed information and price in first letter. All communications confidential.

Bank and Trust Company Stocks

We specialize in bank and trust company stocks and have special offerings of which particulars will be sent upon request. WRITE TODAY.

Maurice M. Robinson and Company
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WILLIAM J. BURNS, President
Formerly U. S. Secret Service
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THE WILLIAM J. BURNS NATIONAL DETECTIVE AGENCY, Inc.

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WE SUCCEED WHERE OTHERS FAIL

We make the same rate for Bankers' private work
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National Bank of Commerce in New York

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over
\$40,000,000.00



Banking Opinion

Vice-President William C. Cook of Western Trust and Savings Bank has returned from his trip through the Southwest. Mr. Cook met a great many representative men in the course of his tour and was impressed by the cheerful spirit prevailing business circles, in consequence of a marked improvement in all departments of trade.

"Business is all right," declared Mr. Cook to a representative of THE CHICAGO BANKER. "One has only to talk with financial men, merchants or land seekers anywhere from St. Louis to Galveston to realize that the country is sound and that times are improving. The Southwest is getting the boom this season, but it will most likely be the Northwest next year, after the value of the new spring wheat crop is ascertained.

"Texas is fast becoming the garden spot of the world. Vast fields of black loam are in evidence everywhere. The two horse team and cultivator are to be seen by the score. Texas is not a place for the man and the hoe, but is essentially a place for the two horse team and cultivator.

"From Dallas to Austin, by day via the M., K. & T. is a trip to be long remembered. The sight of the fertile fields far surpasses anything I have ever seen. The Lone Star State is destined to become the bright agricultural state of the future.

"Acre after acre of beautiful black garden land, expanse after expanse, as far as the eye could see, were beautiful fields of corn, wheat and cotton. Windmills and well painted farm houses were jotted at surprising intervals. The cities are attractive and neat in appearance.

"At Dallas the John Deere Plow Company and Sears, Roebuck & Company's magnificent buildings were in prominence and were familiar, homelike landmarks. From the northwest corner of the State of Texas to Brownsville, situated at the mouth of the Rio Grande River, is a distance of about eight hundred miles, and

it is nearer from the northwest corner of the State of Texas to St. Paul, Minn., Helena, Montana, or Salt Lake City, Utah, than it is to Brownsville. Again it is nearer from Lipscomb county to St. Louis, Mo., than it is from the same county in Texas to Galveston. Chicago and Cincinnati are nearer to Texas than Dallas county is to Galveston, Texas. In fact more than 1,000 miles of the Pacific Coast is nearer to El Paso, Texas, than is any part of the Gulf Coast of the State of Texas. With this distance in mind it will not be difficult to realize what an area of 265,780 square miles of Texas means."

Geo. M. Reynolds

While most of the bankers were playing golf or riding upon the beautiful country boulevards, the last afternoon of the Nashville conference, George M. Reynolds spent two and one half hours explaining the currency plan to the members of the commercial association. "Better than golf" was his own, only comment.

If you want to buy, sell or absorb a bank

or insurance company, send for me. I will make preliminary negotiations secretly and diplomatically. Everything confidential in my office. All negotiations conducted personally. Nothing intrusted to the mail.

E. A. GRANT

901 Garfield Building, CLEVELAND, OHIO

Frank O. Watts

If President Watts slept or rested the first four days of this week while the executive council members were in his beautiful city, it must have been while going from one function to another in his car. All day long he was everywhere, directing the countless activities prepared for his and the city's guests. Then at night it was the prolonged banquet and the gorgeous ball and reception at his own house, the finest in Nashville. Mrs. Watts was equally active. This wonderful pair greeted the coming visitors and was back at the station to say farewell. Members of the council had been wedded to the East for the spring meetings, but even the veterans saw their mistake revealed in the demonstrative hospitality and pleasures of that gem city of the South—Nashville. One influential banker, after a day at the Country Club, proposed to meet there again next year and to go that way, for a day off, en route to the New Orleans convention.

NEW BANK FOR OAK PARK

A new state bank with \$100,000 capital is being organized at Oak Park. It is to be located at 101 North Austin Avenue and will be ready for business by July 1st. Henry Pillinger will be president and Harold Pillinger cashier. The directors will be announced in a few days. Among the good features of the concern will be a safety deposit vault. The bank is starting under favorable conditions, having the assurance of a first-class patronage. F. W. Julin is installing bank fixtures of modern type and promises to have the offices ready for occupancy within two months.

The Maywood State Bank, owned by the same parties, is to have a 25-foot addition to its building and will put in marble and mahogany fittings.

None of those who were at the Nashville conference met with a more cordial reception or more general recognition than did Col. Joshua D. Powers of Louisville, an ex-president of the association.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

OFFICERS

L. J. PETIT, President	L. G. BOURNIQUE, Cashier
FRED'K KASTEN, Vice-President	W. L. CHENEY, Asst. Cashier
HERMAN F. WOLF, 2nd Vice-President	WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit	Frederick Kasten	R. W. Houghton	Oliver C. Fuller
Herman W. Falk	Geo. D. Van Dyke	Gustave Pabst	Charles Schriber
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

OFFICERS

OLIVER C. FULLER, President	GARDNER P. STICKNEY, Vice-President
FRED. C. BEST, Secretary	R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman	Frederick Kasten	R. W. Houghton	Oliver C. Fuller
Herman W. Falk	Charles Schriber	Gustave Pabst	Gardner P. Stickney
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Despite the fact that merchants and manufacturers in most parts of the country are complaining of dull times and a general falling off in trade, Milwaukee houses have little to complain of and in the majority of cases are enjoying a good business. Labor troubles which appear so prevalent in other sections have not as yet affected this city to any extent and no serious trouble of this kind is anticipated.

Bank clearings for the month just ended show a healthy increase over the clearings for the same period one year ago while the daily totals thus far in May would indicate that the record will be the same for this month.

For Better Protection

The last of the propositions recommended by the special committee on banking of the last legislature has been reported for passage in the assembly by the committee on finance. For many years the bankers of the state have advocated more frequent examinations of banks on the part of the state banking department and the bill recommended comes as a result of the proposition made by the bankers to pay the additional cost imposed by such an increase of examiners as will accomplish this result.

It has always been the policy of the state to require the banks examined to contribute to the expense of the department, and under the present law the banks pay annually in fees about \$7,000 for this purpose. Under the bill reported for passage the banks will increase their contribution to this amount, paying in fact more than \$21,000 annually with the un-

derstanding that there will be two examinations per year instead of one as now provided.

The bill also increases the number of bank examiners from three to seven and the additional cost imposed by the increase will be more than offset by the increased fees, so that the total cost of the banking department to the state under the new plan will be several thousand dollars less than it now is with the added advantage of an additional examination each year.

Oppose the Bank Guaranty Law

Bankers of the state appeared to argue the guaranty bank law, as provided in the substitute measure introduced by Senator Owen. While the majority, as at previous hearings, argued against the bank guaranty act, two appeared in its favor.

Among those who attended the hearing were F. J. Carr of Hudson, J. K. Ilsley of Milwaukee, J. R. Wheller of Columbus, H. A. Moehlenpach of Clinton, A. H. Owen of Beloit, L. A. Pomeroy of Amherst, Prof. W. A. Scott of the University of Madison, and George D. Bartlett, secretary of the Wisconsin Bankers Association.

The principal address was made by Mr. Carr, who asserted that the bankers of Wisconsin desired to co-operate in every way to secure absolute safety to depositors but they could not agree to the bank guaranty law proposed by Senator Owen. He stated that the bankers were willing to tax themselves for an increase of \$14,000 to give the banking commissioner's

office greater supervision and a bigger department staff to do its work, but that the bill under consideration could not be agreed upon.

Mr. Carr called attention to the fact that similar plans had been presented to the legislature of other states and all had been defeated. He pointed out that the loss in Wisconsin was less than one twenty-sixth of 1 per cent annually on the total amount of deposits, and that according to the banking commissioner's report the total loss in Wisconsin was seven one-thousandths of 1 per cent, and from this argued that there was no need or demand for the proposed law.

Substitute for Income Tax Bill

Two significant changes are presented in the proposed substitute for the income tax bill over the provisions of the original bill. One is for the taxation of incomes and the other is the abolition of the personal property tax. Another important point is that with the help of experts, the committee has so framed the new bill as to prevent double taxation in any instance even though all corporations, including railroads, with the exception of insurance companies, are included in the measure.

The rate of taxation for personal incomes is left the same as in the original bill, from 1 to 6 per cent on incomes from \$600 to \$12,000, but the taxation of corporation incomes is on a different plan. The first provision on this subject reads:

"If the taxable income of a corporation equals 1 per cent or less of the assessed valua-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	
JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
F. X. BODDEN, Assistant Cashier	H. J. PAINE, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch	S. H. MARSHALL
J. H. TWEEDY, Jr.	R. N. McMYNN
GUSTAV RUESS	C. C. YAWKEY

tion on the property used or employed in the acquisition of such income, the rate of tax shall be one-half of 1 per cent of such income. The rate then increases one-half of 1 per cent by the same method of computation until it reaches fifteen per cent."

Group Two will Meet at Madison

The program for Group Two of the Wisconsin State Bankers Association, which will hold its annual meeting at Madison, May 11th, is as follows:

Meeting called to order, 10 A. M., by President Thompson.

Address of Welcome, Mayor J. C. Schubert, of Madison.

Welcome by Madison Bankers, J. M. Boyd.

Response, J. J. Jamison, First National Bank, Shullsburg.

Annual address by the president of Group Two.

Report of Secretary-Treasurer Milo C. Hagen.

Remarks, George D. Bartlett, secretary Wisconsin Bankers Association.

General discussion: (a) How shall a country bank such as found in our group maintain a secondary reserve to meet shrinking of deposits, without calling on local borrowers? (b) What is the responsibility of a bank for safety deposit boxes? (c) What subjects are of most interest to group meetings? (d) Should the group undertake to secure equal rates of interest on deposits and local exchange rates among members? (e) Mutual insurance: Is it desirable for Wisconsin banks? (f) What is good banking legislation?

During the afternoon session which will commence at 1:30 P. M., addresses will be made by following speakers: M. J. Berg, cashier Hazel Green State Bank; Platt Whitman, of Highland; A. P. Kenney, of Wausaukee. At the evening session commencing at 6:30 P. M., the members of the group and their friends will sit down to a banquet during which they will be addressed by Hon. H. L. Ekern, state insurance commissioner, and Judge Simpson of Shullsburg.

Other group meetings have been set as follows: Group Seven, at LaCrosse, May 25th; Group Three, at Green Lake, June 21st, and Group Six, at Waupaca, June 26th.

Milwaukee Chapter Elects Officers

At the annual meeting of the Milwaukee Chapter of the American Institute of Banking held recently the following officers were elected

for the ensuing year: President, H. J. Dreher, Marshall and Ilsley Bank; vice-president, George J. Neth, Wisconsin National Bank; secretary, James H. Daggett, First National Bank; treasurer, W. A. Kurtz, Germania National Bank; librarian, Edward Schranz, Jr., First National Bank. Directors: J. L. Kennedy, Marine National Bank, F. T. Nicolai, Second Ward Savings Bank.

The following are delegates elected to the national convention to be held in Rochester, N. Y., September 6th-7th-8th: C. G. Lawler, J. H. Daggett, G. G. Fisher, Henry Van Male, A. B. Nicholas, Jr., F. T. Nicolai, G. H. Grieb, J. E. Robertson, August Engelke, Walter Teipel, A. J. Salentine, Milwaukee; A. H. Jensen, Edgerton; A. B. Froelich, Jackson; Henry Esser, Hartford; R. E. Meech, Beloit; D. T. Leisk, Red Granite. The following alternates were chosen: Walter John, A. G. Casper, Carl Anderson, A. W. Sheer, R. A. Martin and George W. Schuengel.

H. J. Dreher was elected as delegate to the state bankers' convention to be held in Milwaukee in July. The annual reports show that during the last year the membership has increased from 250 to 350 members.

John S. Broeksmit, cashier of Merchants National at Cedar Rapids has resigned to enter the employ of the Harris Trust & Savings, Chicago. Assistant Cashier Edwin H. Burrow was elected cashier to succeed him.

Business Improves

Improvement in the tone of business continues and the money market is steady. There is less pressure to place idle funds, as deposits are declining. The majority of commercial loans are at 5 per cent; real estate 5 to 6; call loans 4 and commercial paper 4 to 4½. While trade is still retarded there is clear evidence of gathering strength. Labor troubles have taken on a somewhat alarming aspect but so far have not injured the general business of the West. The feeling among bankers is optimistic.

SMULSKI'S BANK PROSPERS

The Northwestern Trust and Savings Bank will increase its capital \$50,000, May 12th. This will raise the bank's capital to \$250,000. The new stock will be issued at \$150 a share. Fifty dollars a share of the issue price will go to surplus and will increase that item and undivided profits to near \$100,000.

In its last published report the Northwestern Trust showed \$2,400,000 of deposits and loans amounting to about \$1,500,000. The bank was organized in July, 1906, by John F. Smulski and his associates. It began dividends early in its career and has raised its rate gradually to 8 per cent. The stock was around 165 bid in the market Tuesday, that price representing a considerable advance, due to the new stock issue.

RALPH WILSON'S NEW HONOR

Ralph C. Wilson, assistant cashier of Continental-Commercial National Bank, has resigned to become vice-president and cashier of Old Colony Trust and Savings Bank. The officers of his old bank presented Mr. Wilson with a silver centerpiece and his Masonic friends gave him a Knights Templar charm.

MILLER WEIR A VISITOR

Miller Weir, cashier of Jacksonville National, Jacksonville, Ill., was a visitor at LaSalle Street National Tuesday. Mr. Weir for ten years was a national bank examiner and owing to this experience enjoys a wide acquaintanceship among bankers. He reports business improving in the Jacksonville region.

RETURNS FROM EUROPE

Vice-President L. L. Kountze of First National of Omaha has returned from Europe and was in Chicago Tuesday.

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G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, May 4.—According to advices from various sections of the state, more interest is being taken in the coming convention of the Missouri Bankers Association than has been the case for many years. Numerous features this year tend to arouse more than the usual enthusiasm. The program is exceptionally interesting for the convention proper, then there are some contests in the election of officers which will add spice, and the joint meeting with the Kansas Bankers Association will be an entire novelty. The entertainment of visiting delegates and ladies, it is declared, will be on a high "Kansas City Scale." All details of the social features have not yet been announced, but enough is said when it is stated that both associations will be entertained by the Kansas City Clearing House Association. An open rate of two cents a mile in each direction from points in Missouri to Kansas City and return has been granted by practically all the roads in the state.

Program Practically Complete

W. F. Keyser, secretary of the Missouri Association, says that unusual success has been met in the effort to get together good speakers, with interesting subjects. They are: "A Study in Liquidation," E. R. Gurney, vice-president First National, Fremont, Neb.; "Am I My Brother's Keeper?" Judge C. E. Lobdell, Larned, Kansas; "International Commerce," William H. Burges, El Paso, Tex.; "Some Recent Legislation," Judge I. P. Ryland, Kansas City. After discussing recent laws passed by the Missouri legislature, especially those relating to banks, Judge Ryland will take up the following very important legal questions: 1. What are the duties and liabilities of bank directors? 2. To what extent is a bank liable for transfers of stock or payments of deposit of a deceased non-resident without the estate of such decedent being administered under the laws of Missouri? 3. What is the best form of promissory note for bank use?

Hannibal Gets P. O. Bank

Missouri's second postal savings bank was put in operation this week at Hannibal, the town made famous by its having produced Mark Twain. The first institution of this variety was established in Carthage on the first of the present year, and that pioneer, according to the postal authorities, has flourished like the proverbial green bay tree. Carthage is in the Southwest and Hannibal in the Northwest of the state, and the department expects keen rivalry between the two cities to make a showing in growth of deposits. Before the year is spent, it is not unlikely that St. Louis will be enjoying the novelty of a postal bank. Mr.

Hitchcock, postmaster-general, is so pleased with results obtained in small Western towns, that he believes he will try the big cities next. Among the new postal savings banks started simultaneously with the one at Hannibal are those at Helena, Ark., La Salle, Ill., Centerville, Ia., Manhattan, Kan., Shawnee, Okla., and Temple, Tex.

Group Chairmen will Show Them

According to Mr. Keyser information is being compiled by group chairmen which will make their reports of more value than ever before. Committees of the association have been unusually active this year, and have obtained results that are of inestimable value to every bank in the state. The convention will be May 24th and 25th, but no session will be held on the afternoon of the first day, as that time is taken out to give delegates a chance to do visiting, shopping and sight-seeing, so that a full attendance can be had at the rest of the meetings.

Surety Company Coming

The Southern Surety Company, one of the largest institutions of the kind in the United States, with headquarters in Muskogee, Oklahoma, will move its main offices to St. Louis on June 1st. The entire fourth floor of the new National Bank of Commerce building has been leased, and temporary offices already opened. The company has recently increased its capital from \$400,000 to \$1,000,000. President C. S. Cobb, of the company who is here now, said that St. Louis was chosen for headquarters after the officers and directors had given consideration. This was deemed the best center for the company's operations. The St. Louis financiers and business men who have been elected to the board are: John E. Franklin, S. M. Schoenberg, Joseph H. Roblee, D. R. Calhoun, E. T. Campbell, E. W. Stix, E. P. Nelson, W. L. McDonald, M. R. Sturtevant, A. D. Brown, and A. G. Moseley. The company will

operate in Missouri, Oklahoma, Arkansas, Texas, Arizona, New Mexico, Kentucky, Illinois, Indiana, Ohio, Kansas and Colorado. It is operating now in Oklahoma and Texas.

New Chouteau Trust Company

The new Chouteau Trust Company, an outlying financial institution was formally opened with a reception and housewarming on Monday. Those who attended were surprised at the commodious and up-to-date banking rooms which they found. The company is in a new building at the wedge formed by Chouteau and Manchester avenues. Its equipment and fixtures are artistically designed, and well suited for its business. Initial business was above the expectations of the officers, and a successful career is predicted for the institution. William S. Drozda, the president, was chief organizer and promoter of the enterprise. Other officers are: L. W. Lemp, vice-president; John W. Burain, secretary; Stephen L. St. Jean, treasurer and Gilmore R. Avis, real estate officer. In addition to the above the directory includes Charles P. Heil, Gerhard Kersens, Jacob Wilhelm, E. G. H. Kessler, Henry Huhn, E. R. Martin, Jacob Stock, Jr., and Henry Vanderlocht.

St. Louis Chapter Election

The annual election of the St. Louis Chapter of the American Institute of Banking resulted in the unanimous choice of Frank C. Ball, safe deposit officer of the Mississippi Valley Trust Company, for president. He officiated last year as secretary-treasurer of the chapter. Mr. Ball has been with the Mississippi Valley Trust Company for five years, and was recently promoted to his present position. F. J. Mustchler of the Franklin Bank, was elected vice-president and J. E. Uhrig, of the St. Louis Union Trust, secretary-treasurer. B. W. Moser, retiring president, will represent the chapter at the Missouri Bankers Convention this month. The following were elected to the board of governors: J. M. Trulym, B. W. Moser, W. A. Wilkinson and J. J. Scherrer.

BRIGHT OUTLOOK AT OMAHA

Business at Omaha has a bright outlook according to C. F. McGrew, president of Live Stock National of South Omaha. Mr. McGrew was a caller at First National, Chicago, Tuesday and reported a general improvement in trade.

GROUP FIVE MEETS ON JUNE 9

John J. Doherty, of Dwight, Ill., secretary of Group Five, I. B. A., writes that the convention for that division will be held on June 9th, instead of June 7th.

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is *thoughtful*, not mechanical.

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CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG, President
T. WRIGHT, Vice-President
G. W. GALBREATH, Cashier
J. R. COOKE, Assistant Cashier

D'A. P. COOKE, Assistant Cashier
R. S. HAWES, Assistant Cashier
H. HAILL, Assistant Cashier
E. C. STUART, Assistant Cashier

ENTERS THE MILLION CLASS

Stock in the Lumbermens National of Portland, Ore., which institution has decided to double its present capitalization of \$500,000, has been so heavily oversubscribed by the present stockholders that not only will no new interests be taken into the bank, but its management will have to determine a pro rata distribution when the stock is issued, July 1st. The shareholders have ratified the plan to make the bank a \$1,000-000 institution.

This is the second time the stock in the institution has been doubled in the past two years and the bank is not yet five years old. Commenting on the decision to increase the bank's working capacity, Vice-President J. A. Keating said:

"Our stockholders are some of the heaviest investors in Oregon property and are exceedingly rich men. They have unbounded confidence not only in the future of Portland, but in the entire commonwealth."

VREELAND GOES TO PITTSBURGH

Edward B. Vreeland, congressman from the Thirty-seventh district of New York, chairman of the House Committee on Banking and Currency and vice-chairman of the National Monetary Commission, goes to Pittsburgh on Tuesday, May 9th to address the Pittsburgh Chapter of the American Institute of Banking in Carnegie Music Hall. Mr. Vreeland will speak on the subject of "Banking and Currency Reform; the Aldrich Plan."

BUY SIX PER CENT BONDS

H. P. Taylor & Company recently purchased the entire issue of \$600,000 6 per cent bonds of the Tri-County Natural Gas Company, and have made a ready distribution of the securities among investors, particularly in Pittsburgh and the oil country districts. The gas company has a large acreage of developed and undeveloped territory in Clarion, Elk and Forest counties, Pennsylvania, on which there are now eighty-six gas wells, with an estimated daily capacity of 32,000,000 feet.

PREMIUM ON CLEVELAND BONDS

A syndicate headed by Tillotson & Wolcott, and including the Western German Bank of Cincinnati, and Stacy & Braun, of Toledo, were high bidders for 441,000 Cleveland street improvement 5 per cent 1-4-year bonds, and \$60,-

000 Cleveland elevated roadway 4 per cent 14-year bonds, at premiums of \$10.411.03 and \$342, respectively. Hayden, Miller & Company, secured \$175,000 Cleveland Street improvement 5 per cent 1-3-year bonds, at a premium of \$3,300.

BILL OF LADING PLAN APPROVED

The plan for the establishment in New York of a central office or clearing house for cotton bills of lading, as decided on at a conference of bankers, railroad officials, and a representative of the Liverpool Cotton Bills of Lading Conference Committee, has been approved by nearly all the Southwestern and Southeastern cotton-carrying railroads.

STEEL PLANT TO COST \$10,000,000

Final papers have been signed, closing the sale of 800 acres of land in the Allegheny valley, within 20 miles of Pittsburgh, upon which it is stated \$10,000,000 is to be spent at once in the erection of a steel plant, employing at the start from 2,000 to 3,000 men. An eastern syndicate is behind the new enterprise.

BUY 4 PER CENT SCHOOL BONDS

N. W. Halsey and Company have purchased \$195,000 Aurora school bonds. The bonds bear 4 per cent, have an average life of fifteen years and are being offered at 99 and interest.

CHICAGO UNLISTED SECURITIES

Among the more active unlisted securities quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK
American Chicle (com).....	236	239
American Chicle (pfd).....	104½	107½
Am. Fork & Hoe Co. (com).....	130	135
Am. Fork & Hoe Co. (pfd).....	122	126
American Laundry (com).....	37	38
American Laundry (pfd).....	107½	110
*Am. Light & Tract. (com).....	284	287
*Am. Light & Tract. (pfd).....	104	106
Amer. Type Fd'rs (com).....	52½	53½
Amer. Type Fd'rs (pfd).....	100½	102
Beatrice Creamery (com).....	96	100
Beatrice Creamery (pfd).....	89	90½
Bordens Cond Milk (com).....	120½	121½
Bordens Cond Milk (pfd).....	108	109½
Butler Bros.....	296	299
Cities Service (com).....	65½	66½
Cities Service (pfd).....	77½	78½
Congress Hotel (com).....	75	78
Congress Hotel (pfd).....		68
Creamery Package Co.....	100	101
Cumberland Tel. Co.....	149	151
Diamond Rubber Co.....	267	270
Elgin National Watch.....	157	
First State Pawnrs.....	112	116
General Motors (com).....	35	35½
General Motors (pfd).....	76½	77½
National Grocer (com).....	25	28
National Grocer (pfd).....	81½	82½
National Safe Deposit Co.....	145	
N. W. Gas Lt. & Coke Co.....	94	98
North Shore Electric Co.....	94½	96½
Northwestern Yeast Co.....	365	375
Union Carbide Co.....	112½	113½
U. S. Gypsum (com).....	11	12½
U. S. Gypsum (pfd).....	78	78½
U. S. Motor (com).....	41	42½
U. S. Motor (pfd).....	80	81
Western Electric Co.....	218	226

Miscellaneous Bonds

Auditorium 5's (1929).....		94½
Auto Elec 1st 6's (1928).....	76	78½
Chicago Athletic Club 5's.....	93	94½
Chicago & Milwaukee Elec 5's (1922)....	50	53
Chicago Sub'y 1st 5's (1928).....	25½	26½
Cicero Gas 5's (1932).....	94½	95
Congress Hotel 1st 5's.....	93	95
Dering Coal 5's (1955).....	34	37
Emp Dist Elec 5's (1949).....	76	79
Ill. Athletic Club 5½'s.....	90½	91½
Interstate T. & T. 5's.....	48	51
La Salle Hotel Co. 6's.....	98½	99½
North Shore Elec 5's (1940).....	98	98½
N. W. Gas Light & Coke 5's.....	99	99½

*Ex. Dividend.

Jno. L. Crawford has been appointed president of Terre Haute National in place of P. Hussey.

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CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

In spite of the most vigorous activities of the police authorities and the imposing of unusually severe penalties upon convicted yeggmen, the Central West is still wrestling with an epidemic of bank and postoffice robberies which, of late, seem to have increased rather than diminished. April 25th the State Bank of Giltner, not far from Grand Island, Neb., was entered by robbers who wrecked the safe and building and secured about \$2,000 of which \$982 was in silver. The police of Grand Island were notified and the following day a posse of a hundred men captured three suspects on an island in the Platte River. They gave the names of Harry Forbes, Charles Taylor and John Adama and said they were from Chicago. A quantity of dynamite was found on one of the men. Later one of the suspects was identified as Arthur Gray, who, according to the police, served ten years for another bank robbery. Two other men suspected of having taken part in the Cushing Bank robbery were arrested at Altoona, Neb., and are being held. They gave the names of Ed Mack and John J. Surley.

Nebraska had another successful bank robbery on April 28th. Four men rode into Naponee in an automobile early in the morning, blew up the vault of the Naponee State Bank and escaped with \$2,000. Citizens who were aroused by the explosion, could do nothing as they were threatened by the bandits who compelled them to seek shelter. Early in the morning of April 27th an attempt was made by four men to rob the Farmers' and Merchants' Bank of Centralia, Okla., twenty miles northwest of Vinita. The charge of nitroglycerin that wrecked the safe and building did not break the inner strong box of the safe which contained the bank's funds. The bandits escaped.

The four men who have been under arrest for several months charged with complicity in the robbery in the Beattie State Bank, Beattie, Kan., on the night of November 8, 1910, and the robbery of the Waterville, Kan., bank on the night of December 30th, are now facing trial at Maryville. These men are Neil Mulcahy, Alex. Muenard, Henry Hoerr and Frank Wheeler. At Wichita, Kan., on April 29th, Judge Thomas Wilson of the district court took advantage of the stringent new law of Kansas applying to bank robbers when he sentenced the four men found guilty of robbing the State Bank of Viola, Kan., to twenty-five years each at hard labor in the penitentiary. The law permits a maximum sentence of thirty years. The four men are Thomas Madden, Thomas Redmond, Fred Boyd and Ed. Harrold. They robbed the post-office and bank at Viola the morning of March 7th last. Governor Stubbs of Kansas has issued a requisition on the governor of Nebraska for the return to Kansas of Charles McKenzie who is charged with being the leader of a bank-robbing gang that has operated extensively in Kansas and Oklahoma the past fall and winter. McKenzie will be tried specifically on the charge of looting the bank at Hudson, Stafford county, Kan., early in April at which time a watchman at a nearby mill was shot and killed.

The Bank of Rosemont, Neb., was entered by robbers early last Tuesday morning and the safe was blown after the third explosion. The robbers secured \$1,500 and escaped.

Confusion over Guaranty Law

The long-promised report of the expert accountants who have been examining into the condition of the Oklahoma state bank deposit guaranty fund has been made. Instead, how-

ever, of throwing intelligible light upon the matter that is uppermost in the mind of every state banker in Oklahoma, the report seems to throw the whole subject into unutterable confusion. The report is supposed to cover all transactions relative to the guaranty from the time the law went into effect, March, 1908, until January 30, 1911. A circular letter which accompanies the report is signed by G. D. Davis of Claremore, president of the Oklahoma Bankers Association, C. D. Rorer, of Shawnee, secretary, and M. S. Runyan, of Chelsea, treasurer, and says that the duty of making the report fell upon the officers of the association "after waiting for over three years for the state officials to make a full, complete and comprehensive report to the state bankers, without avail."

An introduction to the report signed by the expert accountants making it says: "It is necessary to preface our report by referring to the incompleteness of records available. Our examination contemplated a complete audit of the affairs of each bank which failed or has required assistance, but such audit has not been possible. In the case of the Columbia Bank and Trust Company which failed in Oklahoma City on September 29, 1909, certain absolutely essential records have disappeared, such as the discount register, general cash journal, etc., nor have we found such records as should make it possible to reconstruct those missing. Apart from individual banks, the records of the banking board are incomplete and inaccurate from the time of organization until the last few months and we have been further hampered by confusion due the transfer of the records from Guthrie to Oklahoma City."

Hopeless confusion marks the condition of the Oklahoma guaranty fund. It is said that

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this report of the auditing committee, such as it is, is to be printed in book form and that each state banker will be required to pay three dollars for the book, the money thus secured going to defray the expense of publication.

Deputy Examiners

State Bank Commissioner Lankford of Oklahoma has announced the appointment of ten deputy bank examiners who will do the field work for the department. They are: G. L. Wilson, Enid; M. R. Garnett, Nowata; W. C. Ernest, Thomas; W. L. Reed, Ada; George S. Meade, Chickasha; I. F. Crow, Tulsa; H. W. Foster, Apache; J. G. Hill, Gotebo; Claude Tuttle, Hobart; Henry M. Wells, Caddo. W. M. Malone of Vinita was appointed building and loan auditor. R. C. Stuart was appointed office assistant and J. L. Coffman chief clerk. Six of the old examiners were reappointed.

General Banking Notes

The Security Loan and Investment Company is the title of the new corporation recently organized to do a general loan and investment business in Oklahoma City, Okla. The capital is \$50,000 and the directors are O. B. McKee, J. E. Moore and R. A. Huber of Oklahoma City.

Tulsa, Okla., is one of the western towns that is making steady headway in its bank clearings. During the past week Tulsa's nine financial institutions exceeded the \$800,000 mark.

The Farmers' State Bank of Hanna, Okla., has been incorporated with a capital of \$15,000. The directors are L. J. Spillman, W. W. Winston and Gilbert Huls of Hanna, John W. Gilliland and T. T. Godfrey of Holdenville and C. W. Henry of Raiford, Okla.

Recent changes in banking circles at Harper, Kan., have resulted in the consolidation of the Security National and the Farmers' State banks. John G. Parker, who purchased the controlling interest in both banks prior to the consolidation, will be president of the new institution which will be known as the Security State Bank.

A bank has been organized at Saragosa, Tex., with a capital of \$15,000. E. M. Saltweather is cashier.

Frank Allen of Gower, Mo., for many years vice-president of the Gower State Bank, died April 30th on a train on his way to Colorado. When the train was near Hastings, Neb., the porter tried to awake the apparently sleeping man when it was discovered that he was dead.

He was very prominent in Northwestern Missouri financial circles.

The First National Bank of Miles, Tex., has been organized with the following directors: W. A. Cox, president; R. A. Grimes, vice-president; Dr. T. L. Treadway and Will S. Davis, Jr., cashier.

The Commerce Trust Company of Kansas City has received bonds to the amount of \$1,000,000. They are Fort Worth, Tex., bonds purchased by the trust company and were delivered by Rufus Coy, of the Western National Bank of Fort Worth.

Hutchinson, Kas., is to have a new bank building which will be perhaps the handsomest office structure in that city. It is to be erected by the First National Bank which will have quarters on the first floor. The remaining five stories of steel and concrete will be devoted to professional uses.

Omaha credit men and financiers were disappointed when it was announced that James Graham Cannon, president of the Fourth National Bank of New York, would only remain in that city Sunday. It has been planned to

have Mr. Cannon address the business men of the city on financial topics

Thornton Cooke, treasurer of the Fidelity Trust Company of Kansas City has gone to New York on business. He was accompanied by Mrs. Cooke.

The postal savings bank of Shawnee, Okla., opened Monday, May 1st, with deposits of \$500 and twenty depositors.

W. E. Halton, president of the Shattuck State Bank, Shattuck, Okla., was a Kansas City visitor last week.

GROUP SIX ARRANGES PROGRAM

S. Y. Whitlock, cashier of First National, Tuscola, Ill., and chairman of Group Six, visited Chicago Tuesday and completed arrangements for the meeting of the members of Group Six, which will be held at Charleston, May 10th. Charleston is located in the heart of the broom corn growing belt of Illinois and they expect to have a well attended meeting this year. The meetings of the Group heretofore have been held at Hoopeston, Champaign, Paris and Danville. W. G. Edens, Assistant Secretary of the Central Trust Company of Illinois, will make a little talk at the Charleston meeting relating to the work of the Groups and that of the members of the committee on agriculture and vocational education.

CORNEAU VISITS ARKANSAS

Addison C. Corneau of Western Trust and Savings has been on a visit to Arkansas. He reports that state in a prosperous condition, with evidence of new enterprise and development on every hand. The area of rice cultivation is steadily growing and adding to the wealth of the state.

DR. P. L. HALL IN TOWN

President P. L. Hall of Central National, Lincoln, Neb., was a caller at Continental-Commercial Thursday. Dr. Hall is widely known in banking circles and his views on business are at par in Chicago. He reports a gradual broadening of trade.

WESTERN BANKER HERE

C. O. Stevenson of Farmers and Merchants National of Los Angeles was a visitor at Fort Dearborn National recently.

President W. P. Manley of Security National, Sioux City, was a caller at National Bank of the Republic the fore part of the week.

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Editorial Comment

IMPORTANCE OF NASHVILLE MEETING

The real importance of the Nashville meeting can better be estimated, not by the large amount of routine business accomplished, but by the very practical start which was made for the advancement of currency and banking reform. Mr. J. B. Forgan was selected to offer the key note speech, giving the country at large the real position of the currency commission of the American Bankers Association upon the so-called Aldrich plan. No better choice could have been possible even from the membership of this powerful organization. Mr. Forgan at one time halted the entire procession with a sharp warning that the chief collateral of the West, prime short time commercial paper, was not being recognized. The warning was heeded and now that considerable advance has been made he has been chosen as the banquet orator at Nashville to start the campaign of education.

That trust companies and state banks shall be cared for in the National Reserve Association is the new gospel. They outnumber the nationals and their advocates secured their recognition as depositories of the postal savings banks. The past week an important sub-committee of the currency commission met in Chicago and were entertained by Mr. Forgan, the acting chairman. This is a straw which would indicate that the great banking body wants to see state chartered institutions admitted to all benefits to which similar sized nationals are admitted. This is the only fair plan and it will shift the financial control of the new reserve association much farther west than if nationals alone are allowed to participate. The proposed banking plan will fall short just as it fails to recognize all chartered and inspected forms of banking in all the states. Mr. Forgan's address is beyond criticism as the fairest, ablest exposition of what should be done in the guise of the Aldrich plan, and will have much to do with gaining that public approval which all important proposed legislation must have to become a law.

THE PROFITABLE SIZE FOR BANKS

Banks and banking have been figured both ways from the middle, ends against the middle, and in every other way. Yet it remained for Comptroller Murray to demonstrate that there is a best size as to capital when it comes to dividends and surplus. A lengthy compilation has been made which indicates that banks with capital less than \$50,000 have the lowest percentage of surplus to capital, 27 per cent, although the law requires an accumulation of surplus of only 20 per cent of the capital. Banks with capital of \$1,000,000 and less than \$5,000,000 have the highest percentage of surplus to capital, 82 per cent. Banks with \$1,000,000 to \$5,000,000 paid the highest average rate of dividend to stockholders during the

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

past year, or about 12 per cent; and those with less than \$50,000 paid the lowest, or slightly over 8 per cent. Banks with capital \$5,000,000 and over held the largest proportion of reserve to individual deposits, or about 45¾ per cent; and banks with \$50,000 held the lowest, or 7.4 per cent. Yes, location cut some figure. Reserves are larger in the East, dividends larger in the West.

CONVENTION DATES

FLORIDA—Ocala, May 10 and 11; Secretary, Geo. R. DeSaussure, Jacksonville.

MISSISSIPPI—Greenwood, May 10 and 11; Secretary, Richard Griffith, Vicksburg.

NEW JERSEY—Atlantic City, May 12 and 13; Secretary, Wm. J. Field, Jersey City.

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Oklahoma City, May 22 and 23; Secretary, W. B. Harrison, Enid.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

MASSACHUSETTS—Swamscott, June Secretary, G. W. Hyde, Boston.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

GEORGIA—Tybee Island, Ga., June 8 and 9; Secretary, L. P. Hillyer, Macon.

WEST VIRGINIA—White Sulphur Springs, June 11 and 12; Secretary, J. S. Hill, Charleston.

IDAHO—..... June 12, 13 and 14; Secretary, L. A. Coate, Boise.

MICHIGAN—Detroit, June 12 to 17; Secretary, H. M. Brown, Detroit.

PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

ILLINOIS—Springfield, October Secretary, R. L. Crampton, Chicago.

NATIONAL CONVENTION—American Institute of Banking, Rochester, New York, Sept. 7, 8 and 9.

LORIMER BANK ANNIVERSARY

LaSalle Street National Bank of Chicago is celebrating its first anniversary. Senator Lorimer and his associates established the bank May 9, 1910, with capital of \$1,000,000 and surplus of \$250,000. There has been unusual interest in watching the progress of the new institution owing to the terrific fight of the newspapers against Senator Lorimer, which is popularly supposed to be aimed as much at the bank as at the noted political leader himself. No greater test of friendship has ever been seen than that through which the friends of the senator and his bank have passed. Throughout the persecution deposits have steadily mounted until they foot up more than three and a quarter millions. This would be a good record in any circumstances. Stability has been given to LaSalle Street National by an unusually strong directorate, which embraces men who have a hearty interest in the success of the bank and who are showing the utmost loyalty to the officers. The stockholders on Tuesday elected the following board of directors: William Lorimer, John M. Roach, George O. Gunderson, C. B. Munday, J. M. Appel, Elbridge Haney, John I. Hughes, James E. Bennett, William J. Moxley, Joseph Hock, P. M. Hanney, Thos. Magner, Lorenzo E. Anderson, Leonard J. Lorimer, Paul F. Beich, William Lorimer, Jr., W. A. Gardner, Chas G. Fox, J. P. Gallagher, B. G. Brennan.

Messrs. Hock, Hanney, Magner, Gallagher and Brennan are new members. The election of officers will take place next Tuesday. Numerous messages of congratulation are being received by Senator Lorimer at the flattering success of his bank.

ELWOOD A. COLE IN TOWN

Elwood A. Cole, former cashier of the Commercial German National Bank, Peoria, and who recently resigned to take up the management of the financial department of the Avery Manufacturing Company of Peoria, called on Chicago banking acquaintances Wednesday. In a conversation with officials of the Central Trust Company of Illinois Mr. Cole said he always expected to take a lively interest in the subject of banking, particularly the meetings of the Illinois Groups and the State Association, that his twenty years or more of banking experience had brought him a pleasant acquaintance among Illinois bankers and that he held them in high regard and hoped to continue the pleasant relations that he had so long enjoyed. He spoke in high terms of his successor, William Hazzard, who has been appointed cashier of the great Commercial German National Bank.

ELECTRIC MERGER STIRS PUBLIC

There was much interest in La Salle Street over the announcement of the prospective merger of the North Shore Electric, Economy Light and Power and Illinois Gas and Electric companies. There was no official report as to the price at which the several concerns would be taken over by the new corporation which is to be organized. There was, however, talk of par for North Shore Electric and 65 for Economy Light and Power.

Illinois Valley preferred and common stocks were mentioned as going in at a price which seems unreasonably high. Last fall Illinois Valley preferred was sold to the public at 85, with a bonus of 25 per cent in common stock. Early this year more of the preferred stock was sold at 85 without a bonus. Commonwealth Edison interests control the corporation.

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JAMES B. FORGAN'S ADDRESS

(Continued from page 5)

serve Association, not the small amount of legal reserve money it carries, will determine its strength and standing.

In periods of financial stringency, instead of scrambling with one another for the legal reserve money, which is now the erroneous measure of their strength and stability, banks will learn to rely on the convertibility of their liquid assets into an available circulating substitute for legal reserve money, which will be more acceptable to the public than gold. No bank with sufficient convertible assets need go into the hands of a receiver for it will be feasible in case of necessity to liquidate such a bank through the National Reserve Association under the guaranty of the local organization. Any bank failing to keep a sufficient part of its assets in convertible shape will doubtless be warned of its danger and should it persist in ignoring such warning will be excluded from the local association and liquidated, probably before its affairs become so bad as to jeopardize its depositors. Under such an arrangement a well managed bank, with its loans in proper liquid shape, will be invulnerable against false fears and the "runs" begotten of misinformation.

It will do much to establish public confidence in the individual banks to have it known that they can get such assistance as they are entitled to when they need it; that when their deposits fall off or their available cash runs low they will be able to convert their liquid assets promptly into a legal reserve balance, from which they can have shipped to them as wanted a circulating medium, as good as gold; and all this without interfering with the legal reserve money massed in the National Reserve Association for the protection of the general situation.

Such a note circulation based on bank assets composed largely of commercial paper and issued under such conditions as would command for it public confidence would not only maintain the equilibrium between the commercial demand for circulating medium and the supply of it, but would make possible and practical the massing of the legal reserve money for the protection of the banks and the commercial interests depending on them. Moreover, it would safeguard and protect the legal reserve money itself when massed by doing away with the necessity of moving it from one place to another or otherwise interfering with it. There will be no occasion for well managed banks to become panic stricken, to call in loans and scramble for reserve money, each in the vain hope of strengthening itself at the expense of the others.

The authority which it is proposed to grant to national banks to accept, under proper restrictions, time drafts arising out of commercial transactions, will not only be of great assistance in the promotion of interstate and international commerce and in the movement of crops—especially cotton—and other commodities from their place of origin to their available markets, but it will also assist the banks in keeping their assets liquid and convertible.

A discount market, such as forms the strongest feature of London banking and that of other foreign financial centers, will be created for and by these acceptances. They will be discounted and carried by the banks as a secondary reserve and will largely displace for this purpose the demand loans now made in Wall Street against stock exchange securities.

The money now loaned on call at abnormally low rates in Wall Street, whenever a superabundance of it accumulates there, only to be withdrawn or to have the rates for it raised preposterously when it is required again for

commercial purposes, will flow more steadily in the channels of commerce and follow more closely the demands of legitimate investment. In fact, a well organized discount market will tend to diminish the stock jobbing on which our present financial methods sometimes put a premium. It will adjust the volume of our circulating medium to the legitimate demand for it and will remove the cause of the unwarrantable fluctuations in the discount rates for commercial paper that mark our present system.

The volume of credit through the country will be controlled by the discount rate of the National Reserve Association. It will be raised to check overexpansion and lowered to encourage legitimate operations in accordance with conditions as they exist from time to time. The National Reserve Association will thus become the central power of a well organized banking system, at once its main strength and its guiding and controlling influence.

As a remedy for the next defect of our present system—that of compelling every bank to retain possession of its own proper proportion of the legal reserve money, Senator Aldrich's plan suggests the massing of the cash reserves of all the banks in the National Reserve Association. With an ample privilege of issuing its own notes, as a substitute for legal reserve money, the plan would, in my opinion, afford full protection of the reserves so massed. As already stated, there will be no interference with that part of the legal reserves of the banks represented by balances at their credit with their legal reserve agents. Only that part of their legal reserves which they now carry in their own vaults is to be deposited with the National Reserve Association and, when so deposited, will still count as part of their legal reserves. This requirement is 6 per cent of the deposits of banks outside of reserve and central reserve cities, 12½ per cent of the deposits of

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DEPOSITS

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Whitney-Central Trust & Savings Bank		2,677,994.80
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Whitney-Central Trust & Savings Bank

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INVESTMENT SECURITIES

banks in reserve cities and 25 per cent of the deposits of banks in central reserve cities. This reserve aggregates something more than \$900,000,000. The banks, of course, would not deposit with the Association all of their legal reserve money, but would retain as much as might be deemed necessary for the legal tender requirements of their depositors.

Some one has said that the "lawful cash reserves of a proper banking system should consist of one large reservoir of gold, the fluctuations in the amount of which should cause only a ripple on the surface." Under our present system we have a multitude of small reservoirs among which, even under normal conditions, there is a continuous movement of reserve money from one to the other which causes considerably more commotion than a mere "ripple on the surface." Whenever alarm overtakes us this commotion develops into a violent storm, which depletes and threatens to empty the large reservoirs at the country's financial centers. Public confidence is shaken as the contents of these main reservoirs diminish and widespread panic follows. The massing of the cash reserves in the National Reserve Association and the power it will have to protect them when so massed by issuing its notes as substitutes for lawful money will correct this defect of our present system.

This brings us to the consideration of the note issuing privilege of the National Reserve Association, which is the remedy proposed for the third defect of our present system. It is suggested that the national banks turn over to the Association their government bonds and along with them the note issuing privilege which the banks will no longer enjoy. I will discuss the turning over of the government bonds later. In the meantime let us consider the note issuing feature of the plan.

The National Reserve Association is to have the exclusive right of circulation, except that the national banks may maintain their present note issue without the right to increase it. This, however, they are not likely to do when they fully realize the advantages to be derived by the adoption of the plan suggested. The till money of the banks, outside of the government one and two dollar bills and silver for change, will consist almost entirely of the circulating notes of the National Reserve Association soon after the plan is adopted, and the clearing house balances of the country will be settled in the large denominations of these same notes.

They will also be issued for general circulating purposes, including pay rolls and the moving of the crops. The demand for them will fluctuate with the seasons. When crops are being moved the demand for circulation will be at its height and the maximum amount for which legitimate use can be found will be reached. At such times the banks will have to support their reserve balances with the National Reserve Association, against which they may have cur-

rency shipped to them, by rediscounting their available paper. As the business demand for circulating notes declines, they will return to the banks and through them to the branches of the National Reserve Association for credit on deposit. Simultaneously will mature the rediscounts on which the increased issue of notes was based. Thus, when circulating notes are shipped out, there will simply be a change in the form of the National Reserve Association's liabilities from that of deposits payable on demand to that of demand notes outstanding. When they return the transaction will be reversed, without in either case changing the proportion of lawful money on hand to the total liabilities of the National Reserve Association.

The lawful money reserve of the National Reserve Association will be but slightly affected by its domestic business transactions. So far as they are concerned, its cash reserves will remain practically stationary, except of course, as they may increase with the growing business and wealth of the nation. Its total liabilities will fluctuate as its rediscounts, prime acceptances purchased, or its other permissible investments fluctuate, and the aggregate amount of these it will control and regulate in accordance with the percentage of lawful money it has on hand as legal reserve against its liabilities. Any "ripple on the surface" of its lawful money reserve will occur principally through the withdrawal or the deposit of gold in connection with the settlement of foreign balances in accordance with the fluctuating balance of trade between this and foreign countries. Control of this will be in the hands of the management by dealing in foreign exchange and foreign government securities, carrying a line of foreign acceptances and maintaining foreign balances, all of which the National Reserve Association will be empowered to do.

The volume of the currency of the National Reserve Association will be adjusted automatically to the demand for it. It will be issued by the association as wanted and redeemed promptly whenever the volume becomes greater than the legitimate demand. An over-expansion of it will be practically impossible, if the limit of its issue is controlled by an ample cash reserve requirement against it and the direct tax on it, if any, is regulated by the fluctuating proportion of the cash reserves against the amount outstanding. This will be quite feasible and will be more practical than

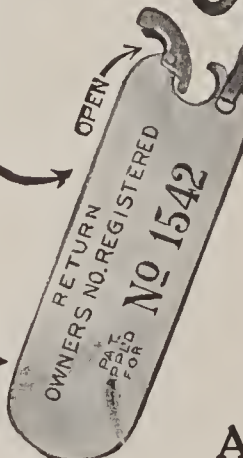
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any attempt to fix an arbitrary limit upon the amount of its issue beyond which it shall be subject to a heavy tax. The amount for which its legitimate use can be found will fluctuate and as the country develops the amount will increase, so that any estimate of it is pure surmise. Therefore arbitrary limitations on it will prove embarrassing, obstructive to legitimate development and may bring disaster. Certainly the National Reserve Association should not be hindered in issuing its notes at any time against a deposit with it of a like amount of gold. The business community should have all it can use so long as it is covered by an adequate gold reserve. There can be no over-expansion of business or credit from an excessive issue of notes, so long as they are thus covered. I agree with those who consider it unscientific and wrong to tax such a circulation at all and I fully realize the danger of fixing an arbitrary percentage of lawful money that must be maintained against it. We have become accustomed, however, to fixed legal reserves in this country, and while I believe that such a management as is proposed for the National Reserve Association could be relied upon to maintain adequate cash reserves against both its depositors and its circulating notes, it might be well to place some minimum limit on such reserves, with a graduated tax on the deficiency while it lasts. The trouble is that the public mind accepts such a limit as an index of the safety point and becomes alarmed when the lawful money reserves fall temporarily below it. It is certain that the usefulness of the National Reserve Association will be greatly impaired and the proper exercise of its functions will be greatly impeded if it is not given the privilege of issuing, free from taxation, as large a volume of its notes as the banks and the public can find legitimate use for, so long as it maintains an adequate cash reserve.

Such a reserve should approximate fifty to sixty per cent against all liabilities—deposits as well as circulation—and, if an attempt is made to regulate it by a legal limit, a tax might be levied on any deficiency below the first named figure.

It is proposed that the National Reserve Association shall, upon application and without charge for transportation, forward its circulating notes to any depositing bank against the credit balance of the bank. It is not suggested by Senator Aldrich that these notes in the

hands of the banks shall count as part of their legal reserves and some sound economists have objected strenuously to their being so counted. It seems to me however that these authorities adhere to their preconceived ideas against counting any mere promise to pay lawful money as part of a bank's legal cash reserves and fail to grasp the full force of the central idea on which the National Reserve Association is to be organized. This idea is that the National Reserve Association shall take over, maintain and control the legal cash reserves of the banks and that the banks will be relieved individually of these responsibilities. Were the banks to continue to be individually responsible as they are now for the redemption of these circulating notes, or were they to continue to be individually responsible for the maintenance of their legal reserve in lawful money, then, of course, the arguments against counting such notes as part of their required legal reserve would be unanswerable. But these are responsibilities of which the banks are to be relieved by the organization of the National Reserve Association. Under such an arrangement I can conceive of no difference between the deposit liability of the National Reserve Association, which is to count as part of the legal reserve of the individual banks, and its demand note liability. The notes should also be counted as reserve when in the possession of the banks. The difference is one of form and not of substance. They are convertible from one to the other at the pleasure of the banks, and in the first instance they are acquired by the banks in exactly the same manner and for precisely the same consideration—either the deposit of legal reserve money, or its equivalent, or the rediscount of available paper. Senator Aldrich's plan proposes that all notes issued by the National Reserve Association shall be covered to the extent of at least

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Northwestern Bank Building, Minneapolis, Minn.
First National Bank, Cleveland, Ohio
Western German Bank, Cincinnati, Ohio

Guardian Trust Building, Cleveland, Ohio
First National Bank, Boston, Mass.
Old Colony Trust Building, Boston, Mass.
Suffolk Bank, Boston, Mass.
First National Bank, St. Paul, Minn.
LaSalle National Bank, St. Louis, Mo.
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33 1-3 per cent by gold or other lawful money, but it makes no suggestion as to the extent to which deposits shall be covered. However, in conferences with him concerning his plan I have learned that he now leans to the idea that a fixed reserve against both deposits and circulation should be maintained and that a tax should be levied on the Association, when its cash reserve falls below a fixed percentage of its total liabilities; this tax to be increased as the reserve declines. He still thinks however that circulation based on government bonds would not require to be covered by the same percentage of cash reserve that is required against deposits and notes covered by bankable commercial paper.

It seems to me it would be incorrect not to provide an adequate cash reserve for a demand liability, such as a note issue of this kind, simply because it is covered or collaterally secured by government bonds. The notes are payable in lawful money on presentation to the National Reserve Association without reference to any security, either pledged or held for them. Commercial paper maturing daily would form a much better secondary reserve, if not a better security for the notes, than would government bonds. A purchaser must be found for the bonds before money can be realized on them, whereas, in the ordinary course of business money is realized every day on commercial paper as it matures and is paid.

At the same time I think government bonds in consequence of their qualities of absolute strength and goodness form a solid foundation for such a note issue, provided an ample cash reserve is carried to provide for their redemption. As to the amount of such cash reserves, it would seem to be erroneous to attempt any discrimination on account of the different forms of the demand obligations of such an institution as the National Reserve Association. What is the difference whether they be specifically covered by any particular kind or pledge of security, or are simply protected by general assets? They are all redeemable in lawful money, and in whatever form they may exist, their redemption results in the same diminution of the cash reserves.

Inasmuch as government bonds are to form a very large proportion of the assets of the National Reserve Association, which is to have the privilege of issuing notes against them, it seems to me they should count as part of the legal reserve—mark the distinction—not cash

reserve, and that they should count as such legal reserve to the extent of 50 per cent of their face value. The practical working of this suggestion would be that the notes to be issued in place of our present bank notes would, in the words of Senator Aldrich's plan, "be covered to the extent of at least one-half (his suggestion is one-third) by gold or other lawful money and the remaining portion by bonds of the United States or bankable commercial paper as herein defined, or both."

An estimate of the profits of the National Reserve Association, as a going concern, would seem to indicate that they would be ample, after providing a minimum legal reserve of 50 per cent against all demand liabilities, government bonds to count at 50 per cent of their face value in such reserve, and the remainder to be in gold or lawful money.

I offer the following as a rough estimate of the annual profits of the National Reserve Association. Its balance sheet, based on its paid in capital and deposits, after it has taken from the national banks such portion of their government bonds as they are likely to turn

over to it during the first year, on its assuming responsibility for the redemption of the notes outstanding against them and before it does any other business, would be about as follows:

Assets	
Lawful money received for capital	\$100,000,000
Lawful money received for government deposits	100,000,000
Lawful money received for bank deposits	500,000,000
Government bonds taken over...	500,000,000
	\$1,200,000,000

Liabilities	
Capital	\$100,000,000
Government deposits	100,000,000
Bank deposits	500,000,000
Circulating notes	500,000,000
	\$1,200,000,000

After it has been in operation a year it might be supposed to show a balance sheet about as follows:

Assets	
Lawful money (as above)	\$700,000,000
Government bonds	700,000,000
Loans and investments	200,000,000
	\$1,600,000,000

Liabilities	
Capital	\$100,000,000
Government deposits	100,000,000
Bank deposits	600,000,000
Circulation	800,000,000
	\$1,600,000,000

The annual income and expense account based on the business indicated by this balance sheet might be estimated as follows:

Income	
2% on government bonds	\$14,000,000
3% on loans and investments	7,000,000
	\$21,000,000

Expense	
Operating expenses, say, 5/7 of 1% of deposits	\$ 5,000,000
Expenses connected with note issue, say, 1/4 of 1% on total	2,000,000
Profit	14,000,000
	\$21,000,000

The legal reserve, counting the government

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bonds as part of it at 50 per cent of their face value, would amount to 70 per cent of the total liabilities as follows:

Total liabilities, \$1,500,000,000, 70 per cent of which is.....\$1,050,000,000
 Lawful money on hand\$700,000,000
 \$700,000,000 of government bonds at 50% of their face value 350,000,000 1,050,000,000

It would be conservative to provide that the preliminary expenses, including office fittings and furniture, should be a charge on earnings prior to any distribution of them and that any net profits, thereafter, on the first year's business should go to the surplus fund. The probabilities are that they would scarcely be worth distributing. However, my estimate of income and expenses after the business gets well under way indicates that the annual profits for distribution, on the basis suggested in the plan, would be sufficient to pay the maximum dividend of 5 per cent to the stockholders, pay \$4,500,000 to the government and place a like amount in the surplus fund.

It is proposed in the plan that "after the stockholders receive 5 per cent per annum and the surplus of the National Reserve Association amounts to 20 per cent of the paid in capital, all excess earnings shall go to the government." This, in my judgment, and in the opinion of all the bankers with whom I have discussed the subject, would be most unwise. In two conferences of bankers which I have attended it has been agreed unanimously, that after the payment of the dividend to the stockholders, the government should receive two-thirds of the net annual earnings and one-third should be added to the surplus. A surplus of twenty per cent as a maximum would be entirely inadequate. It would not be amiss for the National Reserve Association to start, as most banks do nowadays, with that amount of surplus paid in and the stockholders' dividends adjusted to cover the additional amount thus paid in by them. No harm, in fact, nothing but good, would result to the National Reserve Association and all connected with it by allowing its surplus to accumulate indefinitely to the extent of one-third of the excess annual profits after the suggested 20 per cent limit has been reached. For at least a generation to come, in all probability, such an accumulation of surplus would not be more than enough to maintain a proper relation between its invested capital and its total liabilities. The charter of the Association is for fifty years and there will be no occasion during that period to suspend the accumulation of surplus and adopt the questionable policy of paying out all the annual earnings. We have large banks doing business now that have been in existence for fifty years and find it just as necessary to accumulate surplus to-day as they ever did. They would lose prestige if they did not. Let us try the experiment for fifty years and leave

it to congress to make any readjustment of profit distribution found necessary when a renewal of the charter comes up for consideration.

There remains for consideration two important features of the plan, which of all the problems connected with it will probably be found to be the most difficult of solution. These are the disposition of the 2 per cent government bonds and the extension of the benefits of the new system to the state banks and trust companies. On the practical solution of these problems will depend the solvency of the National Reserve Association and the solidarity of the national banking system.

In connection with the government bonds it is proposed that the policy of the United States will hereafter be "to retire as rapidly as possible, consistent with the public interests, bond secured circulation and to substitute therefor notes of the National Reserve Association," which will be covered partly by an adequate lawful money reserve and partly by bonds of the United States, or bankable commercial paper, or both. For a period of one year the National Reserve Association must offer to purchase at par and accrued interest the 2 per cent bonds now held by the national banks and on taking them over will acquire the privilege of issuing circulating notes. "There is to be no further issue, beyond the amount now outstanding of bank notes by any national bank. National banks may, if they choose, maintain their present note issue, but whenever a bank retires the whole or any part of its existing issue it will permanently surrender its right to reissue the notes so retired."

This means that the national banks will ultimately surrender their government bonds and with them their present note issuing privilege, which will be enjoyed exclusively thereafter by the National Reserve Association. Before the government issued these bonds it had provided for them by the passage of the National Bank Act, an artificial and privileged market among the national banks, and when any bank now desires to dispose of them the same market is available to it. At the present time each of the 7,250 national banks has in the other 7,249 banks probable purchasers of its government bonds, because they all have the privilege of issuing notes against them. Concentrate, however, in one institution all the 2 per cent government bonds and the exclusive right of issuing notes against them and there remains outside of it no privileged market for them and no market at all other than a strictly investment one. No outside purchaser of government bonds would have any occasion to buy them except for simple investment. The present artificial and privileged market would be completely annihilated.

The National Reserve Association is to have the doubtful privilege after two years of disposing of them at the rate of \$50,000,000 annually with the approval of the Secretary of the Treasury. Having no fixed date of maturity government bonds are in the form of a perpetual investment. To market them on a 2½ per cent income basis would reduce their value by 20 per cent and on a 3 per cent basis by 33 1-3. If therefore the National Reserve Association should take over \$700,000,000 of these two per cents at par it would hold in them an asset, the realizable value of which, in any possible open market for them, would be 33 1-3 per cent less than it paid for them. This depreciation would amount to \$233,000,000, or more than twice the amount of the paid in capital the Association would have when it began business.

I have said that this is a difficult problem to solve, but clearly understood and squarely met it is not an insurmountable difficulty. I have stated the problem bluntly to attract attention to it and to demonstrate the fact that it must be solved prior to, or simultaneously with, the organization of the National Reserve Association, otherwise the national banks will not subscribe for the stock.

It is proposed that the government shall reserve the right to purchase at par from the National Reserve Association through the trustees of the Postal Savings Bank, or otherwise, any or all of the bonds so held. The Postal Savings Bank trustees would simply make a loss equal to the cost of doing business if they received deposits and invested them at the same rate of interest. Besides, the government proposes to issue to, or through, the Postal Savings Bank its bonds bearing interest at 2½ per cent with a fixed date of payment, viz.: twenty years after issue. This feature of having a fixed maturity enhances their value

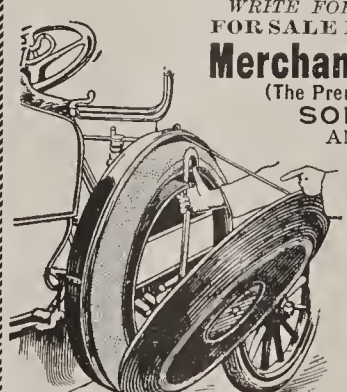
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in addition to the higher rate of interest they bear over that of the never maturing 2 per cent bonds. The Postal Savings Bank Act authorizes the trustees to invest the ordinary savings deposits of the bank in these $2\frac{1}{2}$ per cent bonds. The National Reserve Association therefore would be at a decided disadvantage in disposing of its 2 per cent bonds to the Postal Savings Bank in competition with the proposed new issue.

What then is the solution of the problem? It is proposed that "if the government should adopt the policy of issuing securities at a higher rate of interest than 2 per cent, the National Reserve Association shall have the right to exchange at par the government bonds which it may have acquired from the national banks, previously held by them to secure circulation, for any bonds bearing interest at a rate not exceeding 3 per cent." The government has already adopted the policy of issuing bonds at 3 per cent without the note issuing privilege attached to them, so to that extent the way is opened for this refunding proposition.

There are several reasons why the government should refund these bonds. A valid reason is that every class and every interest in every section of the country will participate in the benefits of having our national banking system placed on a solid and efficient basis. The plan proposed will accomplish this and refunding the 2 per cent government bonds on an investment basis is an indispensable part of it.

Another good reason for the refunding is that it will cost nothing. It has already been shown that the profits of the National Reserve Association will be large, and 1 per cent more income on its government bonds will just add that much. The government will therefore be practically paying out money for additional interest with one hand and taking it back in the form of additional profits with the other.

Another equitable reason is that while the artificial market for the bonds has existed the government has had the advantage of floating its debt at 2 per cent and the distinction of having its 2 per cent bonds selling at a premium, a rate and a distinction enjoyed by no other national government in the world. It has received as high as 4 per cent premium on the original issue of some of these bonds and it cannot now afford to allow them to fall in price to their actual investment market value, when there is a simple and inexpensive way of preventing it.

As to whether the refunding of the bonds on

a 3 per cent basis would establish a permanently steady investment market for them at par is, of course, a matter of opinion. That would depend on the extent to which the government might have to come into the market with new issues. Under ordinary circumstances, by standing ready to purchase them at or about par, the National Reserve Association would doubtless be able to establish a reasonably steady investment market for them at that price or a little better, and to dispose of probably \$50,000,000 of them annually to investors. In this way it might become a valuable agency through which the government could float its new issues. The trustees of the postal savings bank would doubtless then also be able to absorb a considerable amount of them annually.

The next problem is how to extend to the state banks and to the trust companies doing a banking business the privilege of membership in the local associations and the benefits that will accrue to banks dealing directly with the National Reserve Association. So far as I know this problem has not yet been solved and I have no idea that the few suggestions I will here make will solve it.

That these state institutions must in some way participate on equal terms with the national banks in all the benefits of the proposed plan seems to me inevitable. Unless they do, the defects in our banking methods, which are as germane to state as they are to national banks, will continue to exist among the great majority of our banking institutions. There is no greater solidarity in the one class than in the other. In times of financial stress state banks participate with the national banks in the struggle for cash reserves.

When the national bank act was passed the federal government prevented the state banks from issuing circulating notes and thereby removed the means they formerly had of protecting their lawful money reserves. Since then they have had to resort to the use of lawful money in their counter transactions. They have had no substitute for it other than national bank notes, which to them are the equivalent of gold, or lawful money, and, unfortunately for the soundness of banking in the country, as a whole, are counted by them as such in their cash reserves. By such erroneous use of the national bank notes credit is extended on the basis of them as reserve money, while they are themselves mere credit instruments—mere promises to pay lawful money.

All the defects of the national system there-

fore are much in evidence among the state banks and any plan that does not include the great majority of state institutions in its benefits will do less than half the good it otherwise might. To accomplish the beneficial results that are expected from the plan, practically all the banks of any importance, both national and state, should co-operate through it and all qualified to meet the necessary requirements should in some way be brought into it. Unless this is accomplished conflicting interests will continue in the banking business which will seriously interfere with the operations of the plan and greatly detract from its benefits to the public.

It would be ideal to have the banking business of the country all done under one national system. So long as we have forty-six states, however, with the right to enfranchise their own banks, to regulate them under their own jurisdiction and to make their own banking laws, it will not, I fear, be practical to bring the state institutions, or any considerable number of them, into a national system. On June 30, 1910, the last date on which a comparison can be made, we had 7,145 national banks and 15,950 state banking institutions; the former controlled \$7,257,000,000 deposits, while the latter controlled \$10,321,000,000. These figures disclose the difficulty of the problem and demonstrate the fact that again it is a condition and not a theory with which we have to grapple.

It has been suggested that the national bank act might be liberalized so as to permit the reincorporation of state banking institutions under it with power to carry on, within somewhat more restricted limits, their present classes of business. It does not seem to me that it would be advisable to attempt to so liberalize the national bank act that the state banks would be induced to surrender their state charters and reincorporate under the national law. To arrive at an intelligent conclusion as to the probability of their so reincorporating, one would have to be familiar with the forty-six different banking laws under which they now do business.

Very few of the state laws provide for fixed legal reserves against deposits; some of them make provision for the mutual guaranty of deposits, recent developments in connection with which, however, would indicate that this provision would drive state banks into the national system rather than keep them out of it.

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panies are organized under one general banking law, any proposed change in which must be referred to the people, and decided by a majority of the votes cast at an election. As a part of their organization they assume the name "bank" or "trust company" as suits their fancy, and there being no limitation in the banking act on their duration, they determine for themselves the length of their charters. Some of them are chartered for 999 years. They have the right, irrespective of their titles, to do a general banking business, a savings bank business and a trust company business. They may be appointed by the courts receiver, assignee, trustee, guardian, conservator, executor, etc. In Chicago there are fourteen national banks, fifty-three state banks and two foreign banks. The Chicago Clearing House Association has eighteen members of which eleven are state banks, six national banks and one foreign bank, while there are thirty-two state banks, eight national banks and one foreign bank having the privilege of clearing through members.

It would be necessary, it seems to me, for the autonomy and comprehensiveness of the proposed plan that the greater part at least of the state banking institutions should in some way become parties to it. The national bank act might be liberalized so as to enable national banks to compete on more equal terms with the state banks in some of the lines of business from which the former are at present precluded. At the same time specific requirements might be made in connection with the organization of the local association and of the National Reserve Association for the privileges of membership in the former and of shareholding in the latter. These requirements should be such as would assure the standing of state

banks, to which these privileges of membership and of shareholding might be extended. Irrespective of the state laws, these requirements might cover the maintenance of a sufficient legal reserve on practically the same basis as that required of the national banks. They might provide a minimum of paid-in capital and for the sending of copies of the state examiners' reports to the executive officers of the National Reserve Association. They might even go so far as to require the submission by the state banks to examination by national bank examiners or by special examiners appointed by the National Reserve Association. In localities where clearing houses have their own examiners the reports made by them could be made available to the National Reserve Association, or the system of special examinations might be so arranged as to have the clearing houses and local associations co-operate in it.

With membership in local associations and the benefits of becoming stockholders in the National Reserve Association protected in some such ways as these, there is no reason, that I can see, why state banking institutions should not be allowed to come into and enjoy all the benefits of the proposed plan without surrendering their state charters. Their individual qualifications and not their charters should be the test of their fitness.

Such are my views in regard to the more

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prominent features of Senator Aldrich's plan for monetary legislation. The suggestions I have made are, of course, from my own point of view which I have endeavored to make as broad as possible. Some of these suggestions will undoubtedly appear differently from other points of view. Discussion from every point of view is what is wanted. I know that the National Monetary Commission is looking for suggestions from all classes of the community. Senator Aldrich gave out the plan merely as a suggestion and invited the study and discussion of it for the benefit of the commission from all parts of the country. I hope my study of it may be found of some value in the construction work of the National Monetary Commission.

In conclusion I commend the plan without hesitation. I believe it to be founded on correct principles and to be ingeniously adapted to present banking conditions in this country. If adopted it will correct many defects in our present banking methods and when its details have been satisfactorily worked out, as they doubtless will be, it will be a thoroughly practical plan.

MEDIA BANKERS IN CHICAGO

Messrs. C. G. Richey, president, and C. R. Pendarvis, cashier, State Bank of Media, Media, Ill., visited Chicago Wednesday and accompanied W. G. Edens, assistant secretary of the Central Trust Company of Illinois, to the meeting of the Ways and Means Committee of the Chicago Association of Commerce and assisted in the welcome extended to the Chicagoans who had recently made the trip through Texas. Both gentlemen expressed confidence in the present business situation in their locality.

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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

AMERICAN INSTITUTE OF BANKING REPORT

Brandt C. Downey, chairman of the Institute executive council, reported as follows at the Nashville meeting this week on chapter conditions:

It is pleasing to report to you that as the American Institute of Banking section increases in membership and experience its activities become more educational in character in accordance with our declared purpose to educate bankers in banking. More and more in every locality are the junior offices, and the general membership of the chapters turning their attention to an earnest study of the banking business,—its underlying principles, its history, and its practices. The prestige of the standard examinations for certificates has come to mean much, standing as they do for proficiency in banking practice and superiority in banking knowledge.

During the past year fully one quarter of the eleven thousand junior bankers identified with the institute as chapter members or individual students have systematically pursued the study course in "banking and finance." The studies in law are being rewritten by Thos. B. Paton, general counsel of the American Bankers Association, and when completed will be consolidated with the studies in "banking and finance," so that the work may be taken either as one unified course, or divided into two courses, according to circumstances and preferences.

Institute instruction thus provided considers the general subjects of wealth and its production, the distribution and consumption of wealth, exchange and money, money and credit, credit and banking, bank evolution, bank organization, bank administration, bank accounting, cash and reserves, clearing houses, bank examinations, collections and transits, loans and discounts, stocks and bonds, trust companies, savings banks, foreign exchange, the principles of commercial law, business contracts and their essentials, torts and crimes affecting banks, agency and trusteeship, partnerships and corporations, bank officers and agents, requisites of negotiable instruments, indorsement and negotiation of bills and notes, rights and liabilities of parties to bills and notes, discharge of bills and notes and proceedings upon dishonor, acceptance of bills of exchange, the law of bank deposits, checks and certificates of deposit, forged and altered paper, suretyship and guaranty, sales and mortgages, pledges and collateral securities, warehouse receipts, bills of lading, banking insurance, bankruptcy and insolvency, public finance, English diction and discourse.

The institute aims to make its work as nearly uniform in character as circumstances will permit. In suitable cities bank employees are accordance with the class method of instruction.

The same system may be utilized in individual banks and other financial institutions. Outside of classes in chapters and individual institutions the correspondence system of instruction is employed. The correspondence method of study lacks the inspiration of social contact, but the personal relationship established between students and instructors stimulates ambition, and the fact that all lessons must be written insures thoroughness and thought. So far as actual acquirement of knowledge is concerned the advantages of the correspondence method of instruction fully offset its disadvantages.

I want to urge you, as the governing body of the greatest association of financiers in the world, to give as much of your time and attention as your arduous duties will permit to the chapters in your own cities, in their chapter sessions as well as in their activities outside of chapter sessions. I believe you will find organized in chapters for educational work in such attention to the affairs of your employees

will be an investment for your banks beyond your most sanguine hopes. There is exceeding loyalty on the part of bank clerks, I find, to their banks and to their officers. Such loyalty, when added to an enthusiastic regard for officers who show self-sacrificing interest in the chapter affairs, will give to your banks a force for good which is a very valuable asset in any business organization.

The correspondence course for bank officers and employees outside of chapter cities is well arranged and instruction is carefully and intelligently given. It seems to me this instruction for men outside of chapter cities will have a far reaching effect in producing a higher average in banking practices, and a closer organization among the members of the American Bankers Association, through these activities of the American Institute of Banking section.

CHICAGO CHAPTER

A spirited but friendly contest is going on for the presidency of Chicago chapter A. I. B. The candidates are Louis Rich of Illinois Trust and Savings Bank; Charles W. Allison of Northern Trust and H. Smale of Continental-Commercial. The nominations are to be made at the meeting of May 9th and the election will take place May 23d.

May 11th is to be ladies' night, on which occasion, in addition to social features, Howard W. Jackson, hospital steward of the U. S. navy, will give an illustrated lecture on the navy. There will also be an election of delegates to the Rochester convention.

NEWS OF PACIFIC NORTHWEST

Spokane, May 3.—Trailed by detectives through two states, Andrew J. Huart, formerly a bookkeeper in the employ of the Spokane and Eastern Trust Company and former assistant cashier of the First National Bank of Washtucna, Wash., was arrested near Portland, Ore., charged with forgery. Huart is wanted by the state and federal courts. The crime for which he was arrested charges him with uttering forged checks for \$54.35, which he cashed at the Traders National Bank of Spokane on April 3d. Since he disappeared from the city he has been indicted by the federal grand jury for embezzlement of \$630 while he was connected with the Washtucna. Huart was preparing to commit suicide by drowning in the Willamette River when taken into custody. He is under bonds of \$1,500.

T. E. Alexander, who was declared to be an habitual criminal, was sent to the state prison at Walla Walla, Wash., for life by a jury of twelve in the criminal department of the Spokane county superior court on April 25th. He was convicted on the charge of forgery on three occasions. Alexander is past middle age. His only crime as far as the court records show has been forgery. The first offense was fol-



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 Blair & Co., Bankers, New York

JOSEPH B. MARTINDALE,
 President Chemical National Bank, New York
 GATES W. MCGARRAH,
 Pres't Mechanics' & Metals Nat'l Bank, N. Y.
 GEORGE W. PERKINS,
 New York
 DANIEL E. POMEROY,
 Vice-President, New York
 WILLIAM H. PORTER,
 J. P. Morgan & Co., Bankers, New York
 DANIEL G. REID,
 Vice-President Liberty National Bank, New York
 BENJ. STRONG, Jr.,
 Vice-President, New York
 EDWARD F. SWINNEY,
 President First National Bank, Kansas City
 GILBERT G. THORNE,
 Vice-President National Park Bank, New York
 EDWARD TOWNSEND,
 Pres't Importers' & Traders' Nat'l Bank, New York
 ALBERT H. WIGGIN,
 President Chase National Bank, New York
 SAMUEL WOOLVERTON,
 President Gallatin National Bank, New York

E. C. CONVERSE, Pres. B. STRONG Jr., V. P.
 D. E. POMEROY, V. P. F. I. KENT, V. P. F. N. B. CLOSE, Sec'y.
 H. W. DONOVAN, Treas. H. F. WILSON Jr., Asst. Sec'y R. H. GILES, Asst. Treas.

*"One
 paper in the hand is
 worth a thousand in the
 basket"*



To
**Kansas City
 St. Joseph, Texas
 and the Southwest**

Carries drawing-room sleepers, stateroom
 drawing-room sleepers, observation sleeper,
 free reclining steel chair cars and dining car,
 providing superior service.

Electric Lighted Throughout

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La Salle Station 6:10 P. M.
 (Only one on the Elevated Loop)

Englewood Union Station 6:25 P. M. Daily
 (Convenient to South Side Residence District)

Other fast trains every day as well.

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 information, 'phone, write
 or call.

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 Phone Central 4446
 L. H. McCORMICK
 General Agent Pass. Dept.

**Rock
 Island**

lowed by conviction on June 10, 1904, and he served two years in the state penitentiary. He was convicted on the second charge in June, 1906, and sentenced to five years in the state penitentiary and fined \$500. He was found guilty on the third charge, on February 15, 1911. Alexander was unmoved when the jury answered that the verdict of guilty was a true verdict.

O. V. Allen, state treasurer of Idaho, announced on returning from the East on April 27th that he has placed \$1,100,000 worth of state bonds. The money will be used to complete the new state house at Boise. Mr. Allen said also that the state will loan money to ranchers on their lands. The money is loaned to the extent of one-third of the appraised value of the land, the loans running from three to five years at 6 per cent.

Stockholders of the First State Bank of La Crosse, Wash., elected these officers at a recent meeting: President, Alfred Coolidge; vice-president, E. S. Knowlton; cashier, J. E. Moore. The capital stock of \$25,000 has been subscribed. Two hundred and twenty shares is owned by farmers and business men of La Crosse, the remaining 30 shares being owned by Colfax and Spokane parties.

Metalline Falls State and Savings Bank has opened its doors for business at Metalline Falls, Wash. Organization of the company was completed a few days ago, and A. F. McClaine of the Trades National Bank of Spokane, was elected president, H. W. Reading, vice-president, and A. W. Dressel of Ione, cashier. The capital is \$10,000 fully paid up.

Articles of incorporation have been filed for the Bank of Chewelah, Wash., which will begin business soon. George W. Seal, a resident of Stevens county for 20 years, and formerly treasurer of the county, is president.

Charles Adams, also ex-treasurer of the county is vice-president, and State Senator Anderson, is cashier. The capitalization is \$15,000.

Stockholders and directors of the Bank of Pasco, Wash., increased the capital stock from \$25,000 to \$50,000 and elected these officers at the annual meeting: President, J. B. Crain; vice-president, Charles Cunningham; cashier, H. E. Christensen; assistant cashier, E. E. Glenn; directors, H. B. Noland, R. A. Klinge, D. W. Alton, R. A. Galloway and Fred Kurtz-

man. Mr. Crain was formerly president of the Bank of Braddyville, Iowa, and of Meadow Grove State Bank, Meadow Grove, Neb.

J. A. Murray of Butte, Mont., and president of the American Savings Bank and Trust Company of Seattle has furnished a bond of \$2,500 to appear in the federal court in Spokane to answer a charge of fraudulent use of the mails to promote the Idaho Hardwood Company.

A. L. Herrig, cashier of the National Bank at Havre, Mont., has resigned and will go to Richmond, Va. He is succeeded by A. L. Ritt, formerly of the Merchants National Bank at St. Paul.

HARVESTER COMPANY AFFAIRS

International Harvester Company's gross sales in the fiscal and calendar year of 1910 amounted to \$101,166,300, an increase of \$14,500,000 over the sales of the previous year, and nearly \$30,000,000 in excess of 1908.

Net earnings on common stock, after the deduction of \$4,200,000 dividends on preferred amounted to \$11,884,819, equal to 14.85 per cent on the \$80,000,000 common.

The report refers at length to the development of the profit sharing plan.

The average number of employees was 35,743, the amounts expended during the year for salaries, wages, profit sharing, benefit, and pension funds being \$29,279,057. The Employees' Benefit Association paid out for death, accident, and sick benefit, \$218,703. The permanent fund from the income of which pensions are paid to old employees now amounts to \$761,291.

The company has in operation a plan for compensating its employees for injuries resulting from industrial accidents, based upon the principle that the industry should bear the burden of such accidents.

GROSS TOURS

EUROPE AND THE WORLD

MAY 10th, AUTOMOBILE TOUR OF EUROPE
99 DAYS, \$1006.00

Including every item of expense, except tips to steamship stewards. Azores, Madeira, Gibraltar, Algiers, Italy, Switzerland, Germany, Holland, Belgium, France and British Isles. Party is limited, make your reservations now.

VACATION TOURS OF EUROPE, JULY 3rd and 15th
59 DAYS \$619.15. 47 DAYS \$527.65

Rate includes every item of expense except tips to steamship stewards. Two weeks motor tour through the most interesting part of Europe is a feature of these tours.

ROUND THE WORLD, 160 DAYS, OCTOBER 4th
FROM SAN FRANCISCO, \$2300.00

Honolulu, Japan, Korea, China, Philippines, Straits Settlements, Rangoon, India, Egypt, Turkey, and Greece at the best seasons of the year. Write for booklet at once.

Space is limited on each tour. Make your reservations now
 30 years experience

GROSS TOURS, Inc.
302 Ellicott Square BUFFALO, N. Y.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS YINHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

CHICAGO REAL ESTATE DEAL

Mrs. Moritz Rosenthal has paid the Pabst Brewing Company \$450,000 cash for the Union Hotel property, on Randolph Street, or \$70.30 per square foot, and leased this land for eighty years at an annual rental of \$22,500, equivalent to \$88 per square foot. Lessees will build a 16-story office building costing \$250,000.

BUY DENVER FIRST NATIONAL

Hayden, Stone & Company have purchased control of the First National Bank of Denver from the estate of David H. Moffatt.

Des Moines, May 3.—Arthur Reynolds, president of the Des Moines National and treasurer of the American Bankers Association has begun an active campaign for a movement which will result in the nationalization of savings banks and trust companies. Closely akin to the subject, Mr. Reynolds is working on a plan of providing for savings departments in the national institutions.

It has long been Mr. Reynolds' contention that the banking systems of the entire country should be unified. His views on the proper methods of bringing about this result have been discussed at many bank gatherings. Mr. Reynolds has been in Chicago this week attending a meeting of a subcommittee from the American Bankers Association which is considering these and similar questions. From Chicago, Mr. Reynolds goes to Nashville to attend a meeting of the executive council.

Prosecution of Criminals

George Leopold, wanted for forgery at Denison, was arrested at Joliet, Montana, and brought back to Iowa to stand trial. Leopold engaged in the newspaper business at Denison as editor of a German paper. He forged a number of checks on the Crawford County State at Denison and one on the bank at Holstein. Detectives located him in Montana.

Harry Bowman, arrested in Minneapolis and brought to Cummins, Iowa, to stand trial for bank robbery, is said to be one of the famous "Robbers' Alliance," which terrorized numerous communities in Iowa and Illinois some months ago. Bowman had served ten months in the workhouse at Minneapolis and had just been released when he was arrested on the bank robbery charge in Iowa. It is thought that he was associated with Johnny Borden and Jerry McCarthy alias Tom Hatch at the time Borden was shot in Chicago in December, 1909. Following the Borden affair, a woman named Carrie Hammond made a confession in which Bowman was implicated. At that time he escaped the officers and it was under the name of Harry Richardson that he was arrested in Minneapolis ten months ago charged with unlawfully entering a building.

Walker's Serious Condition

George F. Walker, vice-president of the Iowa Loan and Trust Company of Des Moines is still in a serious condition as the result of injuries received in a runaway near Colfax two weeks ago. He was at Mercy hospital two weeks but the past few days has been at his residence. Mr. Walker is quite old but his progress has been good considering the circumstances.

Group Meetings

The meeting of Group Eight at Davenport, May 11th, will have as its main feature, an address by Representative E. R. Moore of Cedar Rapids on "Legislation Passed by the Last General Assembly." Mr. Moore was chairman of the committee on appropriations. He will probably confine his remarks to bank legislation. Three group meetings were held this week. Group Nine met at Osceola, May 2d; Group Six at Des Moines, May 4th; Group Three at Charles City, May 6th. They will be dealt with at length in next week's issue of THE CHICAGO BANKER.

N. V. Kuhl, cashier of the German Savings at Earlring was elected chairman of Group Five

at the meeting at Council Bluffs last week. Eugene Sullivan of the Panama Savings at Panama was elected secretary. The executive committee will consist of E. E. Hart of Council Bluffs, chairman; August Beresheim of Council Bluffs; C. E. Price of Council Bluffs; L. F. Potter of Harlan; C. N. Wood of Logan. The attendance was the largest on record for the group.

George M. Hippee Dead

Des Moines lost a pioneer banker in the death of George M. Hippee at his home here of paralysis. Mr. Hippee was a director for the Iowa National Bank and for the Iowa Loan and Trust Company at the time of his death. He came to Des Moines in 1855. It was in 1864 that he organized the Second National of which he was president. This was merged with the First National into the National State. This was in 1870. In 1873 he erected a building at Fourth and Court and established the Valley bank where he was president until it became the Valley National. In 1881 he organized the Des Moines bank along with Simon Casady, P. M. Casady and George B. Hippee his son. Three years later this became the Des Moines Savings, at present run in connection with the Iowa National. He has been identified with financial institutions since.

ST. PAUL AND MINNEAPOLIS

The Minneapolis Trust Company has increased its annual dividend rate from 5 to 6 per cent. ordering a semiannual dividend on May 1st of 3 per cent. Hovey C. Clarke, leading lumberman, was elected a director in place of the late A. H. Linton, who was a charter member of the company, and the last left on the board.

H. E. Cobb, who retires as president of the Minneapolis chapter, has a check from E. D. Hulbert of Chicago for competition by the Minneapolis clerks on the Aldrich plan of currency. J. C. MacLean, the new president, will appoint a committee to confer with Mr. Hulbert as to judges. Mr. Hulbert's criticism on the Aldrich plan at the time he addressed the Minneapolis clerks at their annual dinner last month was based on inability to understand its practicability. The question for competition will be, "What inducement is there under the Aldrich plan for national banks to carry their reserves with the association, rather than in their own safes?"

Mr. Hulbert, before the American Institute of Banking was formed, had charge of the clerks' organization for the A. B. A. and is known by the clerks in the Twin Cities to have retained an interest in the clerks and their work.

F. A. Chamberlain has returned from California to his desk in the president's office of the Security National. He was away for a rest, he says, and gave no attention to business. Mr. Chamberlain was at New York, Old Point Comfort, Philadelphia and New Orleans on the way West. He said on return: "In San Francisco there are so many new buildings that the city has taken on a new appearance and traces of the earthquake have almost disappeared, at least in the center of the city. So far as I gave attention to noting business conditions the country seemed sound, but quiet."

C. W. Farwell, assistant cashier of the Northwestern National is back after a month of rest.

The Fourth National Bank

NASHVILLE, TENNESSEE

<i>Capital Paid In</i>	-	-	\$600,000.00
<i>Surplus and Profits</i>	-	-	799,640.12
<i>Deposits</i>	-	-	6,657,686.25

OFFICERS

W. C. DIBRELL	-	-	-	President	J. H. FALL	-	-	-	Vice-President
WALTER KEITH	-	-	-	Vice-President	J. S. McHENRY	-	-	-	Cashier
G. W. PYLE	-	-	-	Assistant Cashier	C. H. LITTERER	-	-	-	Assistant Cashier

WE HAVE SUPERIOR FACILITIES FOR HANDLING TENNESSEE BUSINESS
FAIR RATES AND SATISFACTORY SERVICE ARE GUARANTEED

BIG NASHVILLE MEETING

(Continued from page 1)

ary, has been 39 degrees, while the average temperature for the hottest month, July, has been 79 degrees.

One of the notable features of the South's development is the remarkable growth of her cities and towns. Among the foremost of these is Nashville—big, thriving, hustling Nashville. Her growth has kept pace with the marvelous progress of the entire South. She is known in the family of Southern cities as the "Dividend Payer," because unquestioned success has crowned every effort of her business people.

Nashville possesses many great things that no other city in the South can ever hope to have. Already she is the South's great market; she is the manufacturing, jobbing, educational, grain and milling center of the South, and leads in many other lines. To all this is added the excellent transportation facilities (rail and water), favorable freight rates, the most healthful and pleasant climate.

Banking facilities are ample for any growth, and labor troubles are unknown.

Statistics of Nashville's comparative exhibit of growth in ten years is decidedly satisfactory, the increase in assessable property being 103 per cent; increase in jobbing sales, 304 per cent; increase in bank capital and deposits, 108 per cent; increase in bank clearings, 184 per cent; increase in manufacturing plants, 270 per cent; increase in postal receipts, 145 per cent; increase in realty transactions, 165 per cent.

Her population is 110,364, an increase of 36.5 per cent, ranking first in Tennessee and fourth in the entire South in percentage of increase.

The financial interests of Nashville are cared for by sixteen banks and financial institutions, which are numbered among the most substantial and prosperous in the United States, and,

is rightly said to be among the best rated cities in the country. The institutions of this city are recognized throughout the entire business world as among the most reliable. The present financial strength of Nashville has been forming for many years of ceaseless endeavor, conducted along progressive, yet conservative and safe lines.

The banks of Nashville have a combined capital and surplus of \$6,200,000. The aggregate amount of deposits December 31, 1910, were \$21,000,000. The bank clearings for 1910 were \$224,219,644, the largest in the history of Nashville. Two new national banks and two new trust companies opened within the year and already show progress.

No one thing can be of more importance to a city than its transportation facilities. Nashville's several systems of railroads, and the Cumberland River, with their immediate connections, give her an easy outlet to all the world. It shows the strong commercial position of Nashville, and how easily all the great trade centers of the Mississippi Valley and the gulf may be reached; and how near, relatively, it is to the great commercial ports of the West Indies and South America, while it is 325 miles nearer the Atlantic than is Chicago.

During the past year the development and expansion of the Cumberland Telephone and Telegraph Company, whose general offices are located in Nashville, has been very marked. The company has increased its number of subscribers about fourteen thousand; the capital

employed in the business is over \$25,000,000; the issued stock of the company is \$19,980,000, divided into shares of \$100 each; there are over eighteen hundred stockholders, and of this number some four hundred are officers and employees of the company; nine of the fifteen directors are prominent business men of Nashville. The present officers have been in charge of the business for over twenty years. The company employs over six thousand people; about one-tenth of this number are citizens of Nashville; its lines and business extends over the states of Kentucky, Mississippi, Louisiana, Tennessee, and the southern portion of Illinois and Indiana. The work of placing its wires underground in the congested business or fire district of the city of Nashville has been completed during the year, and the overhead structure has been removed.

Nashville ranks second in the United States in the number of its institutions of learning, but ranks second to none in their character and high standing. Its universities, seminaries, academies, colleges for teachers and business, and schools for vocal and instrumental music are filled with the best corps of professors and teachers to be found in the world.

Ten thousand students from other parts of the state and country attend these schools, but the strong pillar and bulwark of all is her public school system, which is conceded to be among the best in the Union.

Nashville has three great universities, seven seminaries for girls, seven business colleges, three medical colleges, two dental colleges, two law colleges, thirty-nine public schools, eight negro colleges and twenty-four miscellaneous schools. These institutions employ nearly nine hundred instructors and enroll more than 12,000 visiting students. The scholastic population of Nashville is over 45,000.

Last year, owing to the activities of the fa-

CONTRACTOR FOR BANK AND OFFICE FIXTURES, VAULT DOORS, SAFES, SAFETY BOXES, STEEL OMNIBUSES AND FILING EQUIPMENT		CONTRACTOR FOR PARTITIONS, DESKS TABLES, CHAIRS ART GLASS WINDOWS METAL CEILINGS MARBLE, MOSAIC RUBBER AND CORK FLOORS, COUNTERS
1414 HARTFORD BUILDING - - CHICAGO		

Nashville Railway & Light Company

Condensed Comparative Income and Expense Statement for the Years of 1910, 1909, 1908, 1907, 1906, 1905, and 1904

	1910	1909	1908	1907	1906	1905	1904
Earnings from Op. and other sources.....	\$1,832,464.82	\$1,724,379.60	\$1,597,029.92	\$1,578,207.42	\$1,395,234.26	\$1,174,376.88	\$1,010,081.10
Op. Ex. and Taxes.....	1,030,026.24	1,013,882.63	954,296.77	969,104.65	811,839.14	690,561.72	633,751.33
Earnings, less Op. Ex. and Taxes.....	802,438.58	710,496.97	642,733.15	609,102.77	583,395.12	483,815.16	376,329.77
Interest on Funded Debt and Current Liabilities.....	402,426.55	394,352.74	393,099.32	354,902.41	331,514.33	298,741.54	267,233.15
Net Income.....	400,012.03	316,144.23	249,633.83	254,200.36	251,880.79	185,073.00	109,096.62
Reserve Miscellaneous including Depreciation.....	54,860.98	51,513.40	47,741.92	37,710.00	44,410.83	25,548.23	5,138.75
Net Income.....	345,151.05	264,630.83	201,891.90	216,490.36	207,469.96	159,525.39	103,957.87
Reserve Miscellaneous transferred to Profit and Loss.....	.....	.....	45,000.00	30,249.65	.....	.....	.....
Net Income.....	345,151.05	264,630.83	246,891.90	246,740.01	207,469.96	159,525.39	103,957.87
Dividend on Preferred Stock, 5 per cent.....	125,000.00	125,000.00	123,445.00	123,445.00	99,775.00	99,775.00	99,775.00
Net Income to Profit and Loss	220,151.05	139,630.83	123,446.90	123,295.01	107,694.96	59,750.39	4,182.87

mous Nashville "Boosters' Club," the city entertained 36 conventions, many of them national in scope.

As a city of homes, Nashville is ideal. It is surrounded by a chain of hills that adds to the beauty of the landscape, and provides full protection against wintry blasts. The climate and educational advantages of a city are a very important consideration. Nashville is most fortunate so far as these are concerned. There are 192 churches and missions. Headquarters of the publishing interests of various churches are located here, and a vast amount of literature is sent out.

Nashville abounds in public, law, railroad, school, and fraternal libraries. It has a number of most attractive and beautiful parks. In the matter of theatres, Nashville is well provided. There are many excellent clubs, the homes of some of which are very handsome and costly. They are all well managed, and are among the many organizations which have helped to make life in Nashville, "the Athens of the South," worth living.

UNANIMOUS FOR ALDRICH PLAN

Nashville, Tenn., May 3.—After the reading of the reports of the trust company and the savings bank sections and that of the currency commission of the American Bankers Association, all of which recommended for indorsement the Aldrich monetary legislation plan, the executive council of the association unanimously approved the plan and adopted a general resolution to that effect.

Ninety per cent of the members of the executive council were present, and, after the resolution had been offered by F. O. Watts of Nashville, president of the association, it was moved to be adopted as read. No one voted "no." The resolution is as follows:

"Resolved, That the executive council of the American Bankers Association heartily approves the plan for monetary legislation suggested by N. W. Aldrich, as modified by the currency commission of the American Bankers Association, and the principle set out in the report of the special committee of the currency commission for extending the benefits of the plan to state banks and trust companies.

"We firmly believe that it is thoroughly practical, fundamentally sound and comprehensive, and that, if enacted into law, it will correct all the principal defects of our present bank and currency system."

This sanction of the Aldrich plan by the executive council was all important to the welfare of the proposed legislation and was the most important matter acted upon so far by the council. At the banquet in New York on May 5th the trust company feature of the Aldrich plan will be taken up and ironed out.

The various sections reported that material progress had been made in their several lines. The clearing house section said that a full plan had been devised and sanctioned for the numbering of every bank in the United States, to be utilized in the transit department. The trust company section and the savings bank section in their reports indorsed the Aldrich plan for monetary reform. The American Institute of Banking section and the state secretary's section also reported.

The committee on express companies and money orders reported a plan to communicate with all bankers regarding an issuance of a new money order.

In his report General Secretary Fred E. Farnsworth alluded to the routine work of the association covering the period since the last council meeting held at Los Angeles. The changes brought about in the protective department were touched upon, the secretary

stating that the work was moving along satisfactorily.

It was mentioned that the change in the detective agency was made several months after the end of the fiscal year, 1909, and thereafter the former agency had established a bank protective agency of its own.

NEW ORLEANS GETS 1911 CONVENTION

The council at Nashville decided upon New Orleans for the 1911 convention, the date agreed upon being Nov. 13th, and St. Charles Hotel will be headquarters.

FIRST DAY'S EVENTS AT NASHVILLE

Monday was the first business day of the spring meeting of the council and it was a very busy one. First came the section meetings and the committee conferences, all held during the day in ninth floor rooms of the Hermitage, one of the finest hotels in the country.

The trust company section met at 11 o'clock in the assembly room. Oliver C. Fuller, president of the Wisconsin Trust Company of Milwaukee, is chairman of this committee. The meeting was devoted to a general discussion of the recommendations of the monetary commission. Special attention was paid to the part of the recommendations pertaining to trust companies. Mr. Forgan, who delivered the address at the banquet, was heard by this section.

The savings bank section met at 10 o'clock in Room 902. E. L. Robinson, vice-president of the Eutaw Savings Bank of Baltimore is chairman of this section.

Secretary Fred E. Farnsworth of New York, was in charge of the meeting of the clearing house section, and the question of creating for

Cumberland Telephone & Telegraph Company

Operations for the Month of March, 1911

Earnings from Exchange Service.....	\$427,902.67	
Earnings from Toll Service.....	166,502.92	
Miscellaneous Revenue.....	4,105.30	
Total Gross Revenue.....		\$598,510.89
Expenses		
Operation.....	185,699.01	
Maintenance.....	164,045.30	
Interest and Taxes.....	50,644.17	
Total Gross Expense.....		400,388.48
Balance Revenue.....		198,122.41
Increase in Gross Revenue over corresponding month last year.....		30,174.80
Increase in Gross Expense over corresponding month last year.....		32,135.69
Decrease in Net Revenue over corresponding month last year.....		1,960.89
Per Cent of Gross Telephone Expense to Gross Telephone Revenue.....		64.90
Per Cent of Net Revenue to Capital Stock.....		12.08

FINANCIAL STATEMENT

ASSETS

March 31st, 1911

LIABILITIES

Cost of Exchange and Toll Lines.....	\$26,760,636.74	Capital Stock.....	\$19,680,150.00
Supplies on hands.....	843,990.00	Surplus.....	4,802,024.28
Real Estate (Exchange Buildings).....	823,125.42	Bonded Debt.....	755,000.00
Stocks and Bonds.....	502,154.98	Debentures.....	239,000.00
Cash.....	487,311.83	Balance Bills and Accounts Payable and Receivable.....	1,465,770.61
	\$29,417,218.97	Employees' Savings Accounts.....	106,286.41
		Reserves.....	2,175,665.09
		Undivided Profits.....	193,322.58
			\$29,417,218.97

CAPITAL AND REVENUE

Year 1911 3 months

Capital Stock	Gross Rev.	Net Rev.
\$19,680,150.00	\$1,778,677.13	\$586,925.58

EXCHANGES IN OPERATION

April 1st, 1911 562

SUBSCRIBERS

April 1st, 1911 222,932

transit departments of banks a numerical system was taken up. Messrs. Walker and McKay of Chicago, presented the special report of the transit committee.

The bills of lading committee met in Room 903. Clay H. Hollister of Grand Rapids is chairman of this committee.

The federal legislative committee met in Room 904 at 10 o'clock. Arthur Reynolds of Des Moines is chairman but was unavoidably absent.

The fidelity bonds and burglary insurance committee met in Room 903. The gathering took place at 2 o'clock.

The finance section met also in Room 901 at 2 o'clock. F. O. Watts, president of the First National Bank of this city, is chairman.

The section to consult with the United States treasurer regarding banking matters also met. C. H. Huttig of St. Louis is chairman.

The Famous Annual Banquet

To an audience which taxed the large dining room of the Hermitage Hotel to its utmost capacity, James B. Forgan, president of the First National of Chicago addressed the executive council Monday night upon the possibilities of Senator Aldrich's plan for monetary legislation. Able, forceful, masterful, and gifted with the art of clear statement, Mr. Forgan soon commanded and held the deepest attention from his auditors.

The speech occupied more than an hour in its delivery (and will be found in full upon other pages). Mr. Forgan took up every phase of the plans outlined by Senator Aldrich, leaving no detail of that mammoth scheme of a National Banking Reserve Association untouched. He went deeply into every defect of our present banking system, reviewed the remedies suggested by Senator Aldrich, gave a table of statistics of the profits which would

accrue from the National Reserve Association and also the difficulties.

C. H. Huttig, the toastmaster, had been the first speaker of the evening, expressing his appreciation of the privilege accorded him in being allowed to speak upon the occasion. Continuing he congratulated the Athens of the South upon its commercial and financial interests.

F. O. Watts Speaks

In closing, the toastmaster introduced Hon. F. O. Watts of Nashville, president of the association, and president of the First National of this city.

Mr. Watts, in the beginning, expressed his pleasure at being called upon and stated that he would not be appearing before the assemblage as a speaker but for the fact that it was the custom for presidents of the association to address the executive council.

According to President Watts, the general body represented 12,000 of the leading banks of the country. It had grown from a membership of 1,500 to 1,876.

Mr. Watts stated that at one time bankers did not realize the importance of compact or-

ganization. He stated that they had soon been made aware of the importance of it.

By organization only, in his opinion could financial, economic and commercial questions of the day be solved. He stated that the only difficulty attendant upon the formation of the organization was that some of the bankers were reluctant at first. But he was thankful that they had gone to work and accomplished the great organization of which the present assemblage was representative.

In closing Mr. Watts reminded the festive assemblage of the fact that the present time was May Day. In olden times, he stated, there was but one May queen. Upon this May Day he was happy to look upon seventy-three May queens.

W. M. Livingstone, president of the Dime Savings in Detroit, and vice-president of the association, followed Mr. Watts. Mr. Livingstone proved to be the humorous orator of the occasion, speaking with the ease and grace of a Depew or a Daniel, and making a most enjoyable and poetic after-dinner address.

He began, after having been introduced by Mr. Huttig, with several jocular remarks concerning experiences which he had enjoyed with the toastmaster in New York. He dwelt in romantic manner upon the hospitality of the South, saying that this had been told him by Mr. Watts before ever visiting this city. He extolled the beauty of southern women, their grace and charm, and dwelt upon the courtesy and warm-heartedness which had been exhibited by their several hosts upon their excursion about the city Sunday.

Detroit Wants Convention in 1912

Mr. Livingstone stated that he would ask the council that the convention in 1912 be held in (Continued on page 31)

\$450,000.00 Port of Tillamook, Oregon 6% Harbor Improvement Bonds

Notice is hereby given that sealed bids will be received by the Treasurer of the Port of Tillamook, in the City of Tillamook, in the State of Oregon, at his office in said city, until Thursday, June 15, 1911 at 10 o'clock a. m. for the purchase of all or any part of the bonds of the said Port issued by virtue of a resolution of said Port, duly and legally passed April 6, 1911. Said bonds are to be dated July 1, 1911 and run 20 years from their date, interest payable semi-annually, both principal and interest payable in United States gold coin at Tillamook, Oregon or at the office of the Port's fiscal agent in New York City, N. Y. Said bonds are 900 in number and of the denomination of \$500 each and are issued for the purpose of defraying the cost of harbor improvements on Tillamook bar and bay. Said bonds will be sold to the highest bidder for cash and all bids must be accompanied by a certified check equal to 5 per cent of the amount of the bonds bid upon. The right is reserved to reject any and all bids and to re-advertise for bids for the same.

Dated at Tillamook, Oregon, this 10th day of April, 1911.

M. F. Leach, Treasurer, Port of Tillamook

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Miscellaneous

For Sale. At a great sacrifice, beautiful mahogany and marble bank fixtures complete with grills, cages, counters, etc., suitable for a banking room containing about 3500 square feet of floor space. Also a safety deposit vault containing 2514 boxes of various sizes with mahogany coupon rooms, wall desks, etc. For further particulars address F. G. Fisher, 450 Railway Exchange, Chicago, Illinois.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/4 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

FOR SALE—Farm Implements

O'Neil Implement Co., La Salle, Ill., have on the market CON-SERVING carriers and EXPANSION spreaders that increase the value of MANURE and save so much time and labor that they are the best paying investment a stock or grain farmer can add to his equipment.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER.

407 Monadnock Block, Chicago.

The Pittsburg and Lake Erie has divided its orders for 2,000 steel coke and gondola cars between the Pressed Steel Car Company and the American Car and Foundry Company. The Missouri, Kansas and Texas has purchased 14,000 tons of rails, of which 8,000 have been taken from the Pennsylvania Steel Company and 6,000 from the leading interests. The American Bridge Company has booked an order for 8,000 tons of structural steel for Chicago.

The Central Tube Company of Pittsburgh has increased its capital stock from \$350,000 to \$500,000.

THOMAS W. WRENNE & COMPANY Bankers

Wrenne Bank Building

NASHVILLE, TENNESSEE

Nashville, the educational center of the South, and in location and with wealth of territory contiguous in agricultural, grazing, timber, coal and iron, ample to make it the commanding gateway and commercial distributing point of the South, is supreme to a greater extent in all that makes for the material prosperity of a community than any other Southern city.

The city's advancement while substantial along lines of modern progress, has not been in keeping with the opportunity its location and natural advantages afford its people. Notwithstanding this the growth of the city in its various lines has been substantial.

Among those who have been ever progressive and aggressive in the effort to advance every beneficial interest for Nashville, its section, and the state, and particularly in furnishing large sums of money on long time and at favorable interest rates for use in commercial lines and in building bank and office buildings, business houses and dwellings and also as pioneers in furnishing ample bank facilities where saving funds, trust and like funds, could be and are invested by holders, owners, and depositors of such funds, with absolute safety and on an income basis better than had been offered prior to the advent of this banking house in the business life of Nashville, Thomas W. Wrenne & Company stands first in the community.

Thomas W. Wrenne & Company conducts a general savings bank, investment, surety bonding, building loan, real estate, and ocean steamship agency business.

The handsome, costly and admirably constructed office, bank and general business buildings in the business district of Nashville and the substantial, convenient and attractive dwelling houses in cottage and mansion styles to be found in the city and its suburbs and as well in many of the larger cities of Tennessee and the South, stand as the ever present and best evidence of the financial strength, beneficial and lasting work of this banking house in Nashville, Tennessee and the South.

In commercial lines this banking house represents among its correspondents some of the largest and strongest financial institutions and banks within and without the state of Tennessee. With these facilities Thomas W. Wrenne & Company is in position to arrange loans in large sums and at favorable rates on high class commercial paper and secured by first class collateral security.

This banking house also sells exchange on New York, Chicago, St. Louis and other cities of this country and as well foreign exchange and travelers' checks, and is in position to furnish travelers in this country, abroad and in all parts of the world for every financial convenience for their immediate use wherever they may be, and at the lowest minimum cost furnished by any banking house thus situated offering like advantages.

In this connection, as the agent representing all of the great ocean steamship lines Thomas W. Wrenne & Company at their Nashville office will sell you steamship tickets and make reservations for you in sailings to and from all world ports and at the identical prices which the steamship companies would charge for the tickets and reservations if obtained from them at their offices at the sailing ports. That is to say should you want to sail from any port in America to any port in Europe, Asia or Africa, or Australia or the Philippine Islands or from any port or ports in Europe, Asia, Africa, Australia, the Philippines, or America, to another port or ports in the world,

you can purchase your tickets at the banking house of Thomas W. Wrenne & Company at the identical cost which you would pay for like tickets if purchased at the steamship offices located at the sailing points.

It is quite an advantage also to you to buy your tickets and make your reservations for sailings from Thomas W. Wrenne & Company, for in their office you can select the ship of your choice, reservation and berths the most desirable on the ship and at the most favorable rates and at the same time you can select the largest and the fastest ships or ships of less speed and size, yet restful, comfortable and safe. You can also purchase from Thomas W. Wrenne & Company tourists tickets for sailings to and from all world ports and around the world and at the identical prices which you would have to pay at the sailing ports.

In the rental, lease and sale of real estate the advantages offered by Thomas W. Wrenne & Company to owners and tenants are exceptionally good and unexcelled for promptness, care and satisfactory dispatch of business in these lines. As agents for owners of real estate, this banking house pays taxes, makes repairs and gives general attention to the care and maintenance of the properties without extra charge to the owner or owners and also furnishes the owner or owners monthly statements showing the financial condition of the lease, rental or sale account.

Long experience in making loans on real estate and in buying, selling, renting and leasing business houses, office buildings, dwellings and farm properties, enables Thomas W. Wrenne & Company and its efficient real estate department to have and exercise conservative, expert knowledge relative to all real estate business matters.

Thomas W. Wrenne & Company acts as executor and administrator, guardian or trustee and will make your bond in any of these capacities. In the settlement of wills, trusts, and administration of estates, promptly and always to the entire satisfaction of the parties in interest, this house stands first with the best as the records of courts of probate in Nashville and Tennessee show. This is due to the competent qualifications of the officers of the banking house, practically all of whom from long experience having been trained in this line of business.

Thomas W. Wrenne, President of the Banking Company is now and for many years has been Manager of the Southern Loan Department of the Massachusetts Mutual Life Insurance Company and in that connection has for the Massachusetts Mutual Life Insurance Company, which is one of the strongest and best life insurance companies in America, loaned large sums of money in the larger cities of the South and particularly in Tennessee, Alabama and Georgia.

David P. Wrenne, Cashier of the Bank is not only an experienced practical banker and safe investor of savings, trust and like funds in the mortgage loans and also in the purchase and sale of real estate, but also a recognized authority in the examination of abstracts of title to real estate and in perfecting and approving titles to real estate as security for loans in Nashville and Davidson county and other counties in Tennessee.

Mr. McCormack, assistant cashier, is one of the best known and most efficient and esteemed bank officers in Nashville.

It will be seen from this brief statement of the general business of Thomas W. Wrenne & Company that this banking house is entitled to the high position it holds and

HOTEL HERMITAGE

TIMOTHY MURPHY, Manager

Complete in all details
European Plan

210 Rooms with Bath
Fireproof



NASHVILLE

TENNESSEE

maintains in Nashville and the South and it is easily understood by the reader and by all the patrons of the house in reviewing the work this bank has accomplished, why it is the management has been so successful and also why and how the business of Thomas W. Wrenne & Company has grown to such proportions and shows phenomenal increases in its banking business from year to year.

The prompt, capable, polite and satisfactory attention given the patrons of this banking house in all matters affecting their interests is not the least of those meritorious features which have contributed to the success of Thomas W. Wrenne & Company.

NASHVILLE PROCEEDINGS

(Continued from page 29)

Detroit, and he extended a special invitation to the ladies present to attend.

John Belle Keeble, of Nashville, spoke upon "Nashville and Tennessee." Mr. Keeble stated in beginning that just such gatherings as the general council were harbingers of a new era in commercial and financial advancement. He stated that men over the whole country were grappling with new ideas as those embodied in the speech of Mr. Forgan.

He felt a hesitation in saying anything about Nashville as he feared that his heart would prompt him to say too much. He spoke of the great industries here, and especially the patriotism manifested in the city by the fact that the Industrial League had been able to raise \$100,000. He declared that the growth of the city was not magic, but stable and sound.

He further spoke of the possibilities as a farming and stock raising section.

Taking up the subject of the "Athens of the South," he mentioned the great public school system here, the splendid colleges and univer-

sities, and also he said that it was the greatest center in the world for negro education. Mr. Keeble, along this line, told his hearers that the people of the South had dealt generously with the negro and were doing everything for his advancement.

In closing he spoke of the traditions of the state and how those sacred traditions had raised the lily from the ashes during the reconstruction period. He spoke of Andrew Jackson's influence over the life of the nation. He informed his friends from the north that Nashville had furnished two Presidents, two secretaries of war and three members of the supreme court. Nor had she been lacking in war, as testified in her readiness in sending out soldiers. In closing he paid a tribute to Judge Lurton and President Watts as testimony of the quality of the men which Nashville produced.

Convention Notes

A. F. Frame, president of the Waukesha, Wis., National, is probably one of the oldest men in point of service, attending the meeting of the executive council. Mr. Frame says that this is his forty-ninth year in the banking business, thirty of which he has been president.

President F. O. Watts arranged a big golf tournament at the Country Club for the golfing members of the executive council, when the players will try for a cup to be offered by Mr. Watts, to be known as the "Kickers' Handicap Cup."

Wm. Livingstone, vice-president of the American Bankers Association, and who will head the organization next year, is remarkable for his resemblance to Andrew Carnegie—and he isn't afraid to wear a straw hat, in May.

George M. Reynolds of Chicago, head of the Continental-Commercial National, the second in the United States, has held every position in the gift of the association. He said he could

not go to New York for the banquet there, because he was preparing to let a contract for a \$10,000,000 building in Chicago.

J. M. Donald, chairman of the board of directors of the Hanover National of New York, is one of the big financiers attending the meeting of the council.

Lawrence L. Gillespie, vice-president of the Equitable Trust Company of New York, is the prime mover in arranging for the Waldorf-Astoria banquet by the trust company's department May 5th.

Wm. C. Poillon, president of the Mercantile Trust Company of New York, is another big financier who is attending the sessions of the council.

L. W. Gammon of New York, head of the secret service department of the association, is also here.

Among the enthusiastic golfers of the council may be mentioned Messrs. David H. Pierson and Lewis E. Pierson of New York, F. H. Goff of Ohio and Charles C. Barlow of Connecticut. But the most enthusiastic of the enthusiastic golf players is President F. O. Watts.

M. C. Ailes, vice-president of the Riggs National of Washington, D. C., and formerly assistant United States treasurer under the McKinley administration, is also among those present.

L. C. Cogswell, president of the New York National State Bank at Albany, and formerly president of the New York State Bankers Association, is attending the sessions.

STRIKE DELAYS BANK REMOVAL

Harris Trust Company will be unable to move into its new building for several weeks owing to the strike. A number of office tenants have moved into their new quarters.

An Up-to-Date Bank cannot long

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PRESS ONLY ONE KEY
PAYS MONEY



Pressing ONLY ONE KEY
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combat the money-saving argument of labor-saving equipment, especially when our machine must make good on your own counter.

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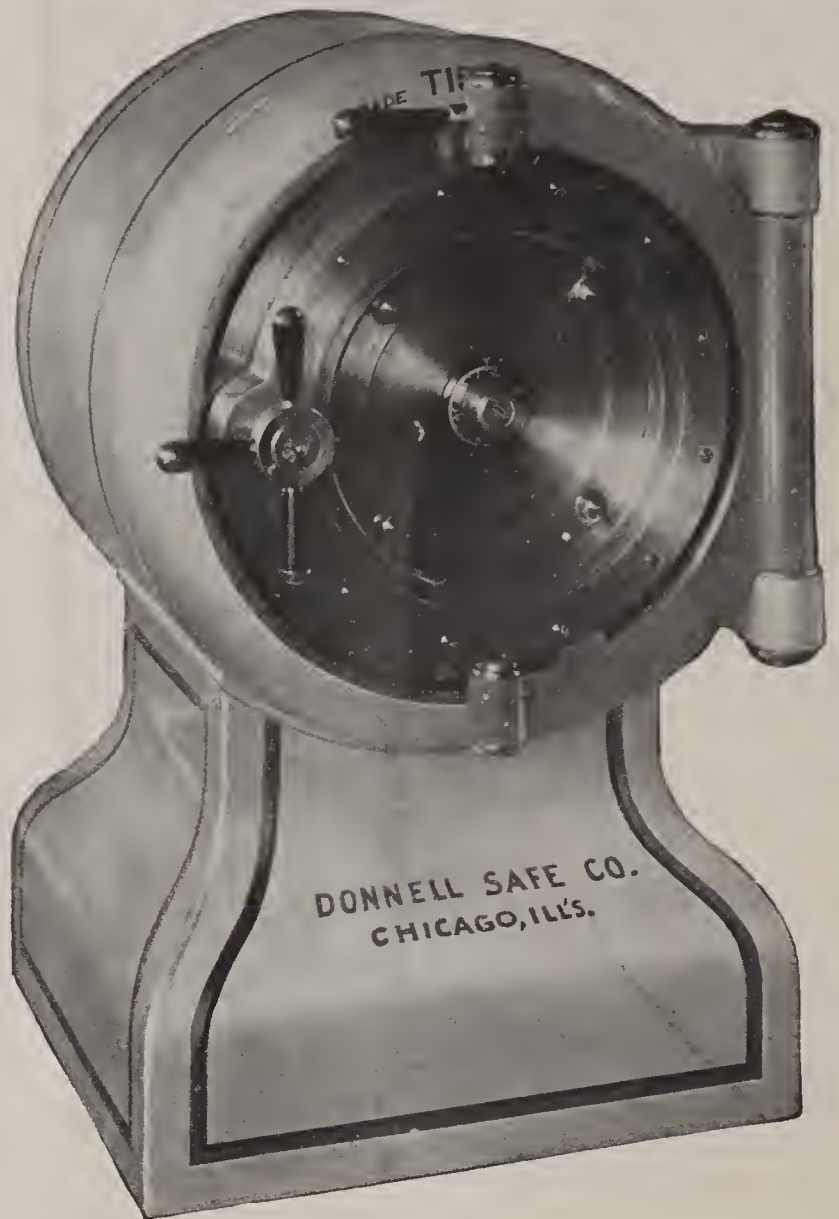
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,000,000
Deposits - - - 28,000,000

OFFICERS

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F. A. CRANDALL	-	Vice-President	A. W. MORTON - Assistant Cashier
L. H. GRIMME	-	Cashier	WM. N. JARNAGIN - Assistant Cashier
W. T. PERKINS	-	Assistant Cashier	WALKER G. McLAURY - Assistant Cashier
W. D. DICKEY	-	Assistant Cashier	R. U. LANSING - Manager Bond Dept.
			M. K. BAKER - Asst. Manager Bond Dept.

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General Western Agents for the York Safe & Lock Co., who have the best equipped safe factory in America. Their Manganese safes are superior to any in the market and we will furnish you with insurance for \$3.50 per thousand for three years. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal if not superior to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second hand deposit boxes that are modern and good as new.

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Surplus and Profits - - 6,400,000.00

UNEXCELLED COLLECTION FACILITIES
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B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

The Girard National Bank

OF PHILADELPHIA

Capital, - - - \$2,000,000.00
Surplus and Profits, 4,450,000.00
Deposits, - - - 38,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
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Second Vice-President	Asst. Cashier

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MAY 13, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Banking Opinion

Edward S. Lacey, chairman of Continental-Commercial advisory committee, has returned from Europe as optimistic as ever regarding the progress of America, but admits that the people of this country still have a few things to learn.

He praises Berlin as being the cleanest, brightest and best governed city in the world. He also was favorably impressed with the way Germany handles its railroads, manufactures and foreign trade.

"The German government is strongly committed to the policy of building up its foreign trade and commerce," said Mr. Lacey and as it owns and controls leading transportation lines it is able by a system of rebating to give advantages to manufacturers who are shipping to foreign countries. That opens avenues for the profitable employment of capital and labor and the whole policy is one that expands and strengthens the empire's industries.

"Farming there is much better than in America. The production of grain and vegetables per acre far exceeds ours. They practice conservation in a way that we should emulate. The nation is producing about as much timber as it consumes—that is, it keeps up the supply by growth. They build more extensively with iron, stone, brick and cement than Americans do, and consequently timber is saved and houses are nearer fireproof. We are badly mistaken when we assume that Europe is not progressive.

"It may surprise many people to know that Italy leads the continent in percentage of development. That country shows the greatest gain of any in all that goes to make up modern civilization.

"Regarding business in the United States, I am satisfied the turn has come and that the season from this on will be normal. The country has been marking time while awaiting political developments. It would be well if congress were adjourned, but we are going ahead anyway. The possibility of the coming supreme court decisions being unfavorable to corporate interests has been discounted. Should the rulings be favorable the rebound in business will be a vigorous one. There is an assurance of large crops, in the aggregate, and that is a guaranty of new life in all kinds of trade."

Jersey Bankers

Atlantic City, N. J., May 12.—A two days' session of New Jersey Bankers Association is in progress here. There is a full attendance and an unusual number of prominent visitors.

The convention was opened to-day at 2:50 p. m., by Adrian Lyon, president of the Association. Features of the occasion were:

Prayer—Rev. James McLeod, D. D., Cape May, N. J.

Address of Welcome—Hon. Walter E. Edge, senator from Atlantic county.

Response—Adrian Lyon, president, New Jersey Bankers Association.

Address "State Banking Department," Hon. Vivian M. Lewis, Commissioner of Banking & Insurance of New Jersey.

Address—"Some Standards for Examina-

Two Bankers Association Presidents



CHARLES W. LAMAR
FLORIDA

President American National Bank of Pensacola



ADRIAN LYON
NEW JERSEY

President Perth Amboy Savings Institution

tions by Directors," Hon. E. T. Perrine, formerly comptroller state of New York—vice-president Windsor Trust Company, New York City.

Address—"Adjustment," Hon. Elmer H. Geran, member of assembly, N. J.

Address—"The New Jersey System of Group Bank Examinations," A. A. Benton of Marwick, Mitchell & Company, New York City.

Address—"Banking and Currency Reform," Congressman Edward B. Vreeland, vice-president of The National Monetary Commission, New York City.

The eighth annual banquet of the association was served at 7:30 p. m. Addresses were by Hon. Charles Nagel, secretary of commerce and labor, Washington, D. C. Hon. William H. Speer, Judge of circuit court, Jersey City, N. J. Dr. Austin Scott of Rutgers College, New Brunswick, Hon. Frank Bergen, general counsel for the public service corporation, Newark, New Jersey.

The annual business meeting of the association will convene at 10:30 o'clock to-morrow, President Lyon in the chair. This is the program:

Address of President Adrian Lyon.

Report of secretary and executive committee.

Report of treasurer.

Report of special committees.

Unfinished business.

New business (special subjects of interest to members may be discussed).

Election of officers and members of executive committee.

Election of delegates to American Bankers Association convention.

Selecting time and place of next annual convention.

Installation of president-elect.

Florida Bankers

Ocala, Fla., May 12.—A successful convention of Florida Bankers Association was held here on the 10th and 11th. In addition to the expected large attendance of state bankers a number from other states were present. The program included five-minute talks by members besides the set addresses. This is an enjoyable feature.

President Lamar opened the proceedings at 10 o'clock Wednesday. After the speech of welcome and response President Lamar delivered his annual address. The night session concluded the principal business of the occasion.

Thursday morning the members took automobiles to Lake Weir, then motor boats to Eastlake to the Goodwin bungalow, where the session was continued. After discussion of state requirements and currency reform a buffet luncheon was served. The banquet was held in Ocala in the evening, Judge W. S. Bullock acting as toastmaster.

Money Firmer

Chicago banks report a firmer money market, without change in quotations. Demand for funds is larger and more general but particularly from interior bankers. Rates of interest range from 4½ to 5½ per cent, according to size of transaction. The real estate market is moderately active. Bonds are in good demand.

BOARD OF TRADE MEMBERSHIP

A Chicago Board of Trade membership has sold for \$2,625 net to the buyer which is the same as the price paid at last sale.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$10,000,000

Officers

GEORGE M. REYNOLDS - - - President
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ALEX. ROBERTSON - - - Vice-President
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JAMES R. CHAPMAN - - - Vice-President
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WM. G. SCHROEDER - - - Secretary
EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

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NATHANIEL R. LOSCH - - - Cashier
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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

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Cashier

Officers
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FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

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Manager Bond Department

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CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital - \$1,250,000
Deposits 10,000,000

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

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ADDISON CORNEAU, Asst. Cashier
LLOYD R. STEERE, Asst. Secretary
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W. G. WALLING, Secretary
A. E. COEN, Asst. Cashier
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Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
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Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

ILLINOIS BANKERS COMMITTEE on agriculture has found that there are forty-eight counties in the state which the census shows to have retrograded in population during the past ten years. This the committee believes to have been caused by the young men born in the country going to the larger cities to make their future homes. It is quite a large assignment for the committee to change this tendency on the part of young America.

IN the state of Illinois there are more than 10,000 practically one-room schools. More than 300,000 boys and girls attend these small schools and it has been found that 85 per cent of them have no additional educational advantages. The committee is working towards a point where they hope to increase the educational facilities for these children and to in some way direct their attention to the possibilities of farm life. No committee in existence to-day has a larger field or a greater opportunity.

BANKERS all over the state are being urged to request their senators and representatives to promptly pass a bill which will secure better protection for drafts with bills of lading attached. This movement is being fostered by the Illinois Manufacturers Association as well as the Illinois Bankers Association. The railroads, while not urging it, are being quite fairly treated in the matter. Illinois is behind many other states in this and many other questions of uniform legislation.

CHARLES W. KNOOP, cashier of the Black Hawk National at Waterloo, Iowa, has been in the city during the week on business connected with this growing institution.

FRANK D. BRUNDAGE, assistant manager of K. N. & K. Company (New York), is taking time between state meetings to return to his home institution. Next week he will be on his way to attend conventions in Texas, Oklahoma, Missouri, and Kansas.

EDITORS of the "Review," a sprightly publication issued by the employees of the First National Bank of this city, wisely decided to print in full that splendid oration made by James B. Forgan before the A. B. A. council at Nashville, touching upon the possibilities of our proposed new monetary legislation. This is one of the ablest documents ever issued on this subject and will be very much in demand during the educational campaign which now is starting on that general subject.

WG. EDENS of this city was the principal speaker at Group Six meeting held at Charleston this week. In matters touching upon Illinois group conditions, Mr. Edens is without a rival.

DETECTIVE WM. J. BURNS, so much in the lime-light recently, is to have another opportunity of distinguishing himself far beyond the common. His services have been engaged to unearth the graft conspirators in and around the Ohio legislative halls at Columbus. This undertaking might fairly be classed with

the great Times disaster which for many months was so puzzling to the public. Those who know Burns best are inclined to lay a few wagers that the Ohio grafters will be caught.

STATE secretaries would find their employment much more congenial and much more profitable to the membership if they did not spend so much of their time trying to sell high priced insurance to bankers in some particular company and in trying to saddle upon them some particular brand of "burglar proof." A state secretary should devote his time chiefly to furnishing the membership the brands of those particular commodities which they most desire at the most attractive possible prices.

BANKERS who are desirous of bringing about the passage of the new banking and currency law will find their efforts much better appreciated if they kindly will allow Senator Aldrich to remain in the background. Probably 90 per cent of the small bankers of the country can easily be converted to the new code, but will find it very difficult to change their opinion of the long-time, bogie man of the senate.

EAST WATER STREET in Milwaukee is to be the future financial center of that growing city. Great banking improvements are under way for the First National and the Wisconsin National, and it is thought that the National Exchange Bank has made provision for the future in that locality. The Marshall and Ilsley Bank has landed in a very choice location in that most desirable of localities.

NOT so very far down in the state of Illinois there is a fair sized national bank, the directors of which do not believe in either group meetings or state conventions. The bank has lost four cashiers in ten years to larger institutions. These cashiers successively were about all there was of a live nature connected with the bank. They attended conventions at their own expense and, when opportunity offered, made connections with more liberal institutions. There ought to be a lesson in this for somebody.

UP in the Northwest where a postal bank has been established and where the local banks, by agreement, do not advertise, a startling condition has arisen. The mayor of the city has inserted an advertisement in all the local papers advising the workers of the city to put their savings in the postal bank. Now the other bankers who have been operating under an agreement of silence-and-division-of-profits are up against it. First they were unwise enough to attack the mayor. Upon second thought probably they will conclude to advertise.

WISCONSIN bankers will meet in Milwaukee, July 12th and 13th, for their annual convention. They have been very fortunate in securing a promise from George M. Reynolds of this city to speak upon the new features of the monetary situation. A great many advance reservations have been made.

AMONG the Iowa bankers who always accompany C. B. Mills to Chicago when Frank Gotch has anything on, is G. L. Tremain of Humboldt. Banker Tremain has invested over \$250,000 for Gotch in "choice Iowa farm mortgages" (nothing better), and looks for Frank to return from his present trip with about that much more. Thus far he's getting about \$1,500 per night.

A. J. FRAME, president of the First National, Waukesha, Wisconsin, landed in Chicago from Nashville in good season to attend the luncheon of the members of the Chicago Wisconsin society held at the LaSalle Hotel in honor of their president, Angus S. Hibbard of the Chicago Telephone Company, who is leaving for New York to become a member of the staff of President Vail. W. R. Dawes, cashier of the Central Trust, who is treasurer of the Wisconsin society this year, a native of Ripon and a trustee of Ripon College, was also on hand, only having returned the day before from the tour of Texas made with the delegation representing the Chicago Association of Commerce. The Wolverine society is one of the big things of Chicago. It embraces in its personnel probably more forceful and influential men in the business and professional world than any other like state organization.

HARRY A. WHEELER, vice-president of the Union Trust Company, has purchased from Hunter W. Finch of the Hunter W. Finch Coal Company the residence of the latter at 5235 Lexington Avenue for \$40,000. The house is a modern twelve room stone and brick structure only completed two or three years ago.

THE Guaranty Trust Company of New York has just purchased the Mutual Life Insurance property at the southeast corner of Broadway and Liberty street, and as soon as the present leases expire expects to begin the erection thereon of a modern bank building devoted exclusively to its own business. The site measures 78 feet on Broadway and 135 feet on Liberty, and entrance to the new building will be had from three streets, Broadway, Liberty and Cedar.

THE remarkable growth of the Guaranty during the past few years, and its more recent consolidation with the Morton Trust Company and the Fifth Avenue Trust Company have made necessary much larger offices than are available at its present location on Nassau street. The company's total deposits on the occasion of its latest published statement, February 28th, exceeded \$133,000,000, and its total resources are over \$170,000,000. Alexander J. Hemphill, president, and Charles H. Sabin, vice-president, are the executive officers, and the board of directors, of which Hon. Levi P. Morton is chairman, includes some of the foremost men in American financial and business circles.

MISSOURI has 1,289 banks of which 1,071 are state, 130 national, 52 trust companies. (Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
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REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
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THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
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THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

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DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
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A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President
D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President

CHARLES L. HUTCHINSON, Vice-President
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B. C. SAMMONS, Vice-President
FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
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UNITED STATES DEPOSITARY

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LETTERS OF CREDIT ISSUED

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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

CHARLES G. DAWES, President
WILLIAM R. DAWES, Cashier
A. UHRLAUB, Vice-President
E. F. MACK, Vice-President
WILLIAM T. ABBOTT, Vice-President
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CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT.
CHARLES G. DAWES, ex-Comptroller of the Currency

Banking Conditions in Louisiana

President Albert Breton's address to the Louisiana Bankers convention at Baton Rouge, May 2, 1911

Besides the very appropriate words expressed by Mr. Sims in his response to the address of welcome of the Hon. Jules Roux, I ask the privilege of adding a few personal remarks to state how proud and happy I feel to-day in having the honor of presiding at the annual convention of the bankers of Louisiana in this most pleasant, progressive and prosperous city of Baton Rouge. The cordial welcome and affable hospitality extended to us and the elaborate program of entertainments prepared by the Baton Rouge bankers have deeply impressed me as it must have impressed all those here present, and I hope that, in performing my pleasant duty as presiding officer of this meeting, my efforts to satisfy all of my fellow bankers will make me worthy of the great honor bestowed upon me at last year's convention.

Let me also tell you how glad I am to see the ladies brightening this audience by their presence. It is well known that, as in almost every spot of our Southland, there are many beautiful and attractive members of the fair sex in Baton Rouge society and as it is hardly possible for every one of us to meet them all during the two days of our convention, I think this an appropriate moment to transmit to all the ladies of Baton Rouge, in the name of all the bankers attending the convention, our sincerest thanks, assuring them of our deep appreciation for the interest they have shown in our annual gathering.

Now, my fellow bankers of Louisiana, allow me to come to our professional questions: I am pleased to say that I have no bad news to bring you in reference to last year's business record; I have no bad bank suspensions or big commercial failures to report; the financial situation in Louisiana is sound, and I firmly believe that we can look forward to a bright and prosperous future. The merchants of all the state, well advised by their bankers, have been very conservative; the farmers have diversified their crops with the most satisfactory results and it may be rather interesting for all of us to know that New Orleans banks this year had the opportunity of buying foreign bills of exchange representing shipments of Louisiana corn exported to Europe.

As a rule, in previous years, we in Louisiana had to buy a great deal of corn from the west, and it is certainly flattering to note that, through the diversification of crops, we have succeeded not only in supplying the large local demand for our plantations and sundry industries, but we have also produced a surplus which has made Louisiana join the list of corn exporting states. Much of our rich lands has been developed and sold in lots to Northern and Western farmers who have become residents of Louisiana. A great impetus has been given to truck farming and from the information I have been able to gather from interested parties, very fair profits have been derived from the shipment of all kinds of fine vegetables and fruit consigned to almost all principal cities of the United States. Cattle raising is also rapidly progressing in our state.

Foreign investors are steadily coming and buying some of our rich timber and mining lands. Let us also call the attention of our visiting bankers to the fact that to-day Louisiana has, in the United States, a monopoly in the produc-

tion of cane sugar, sulphur, rock salt, and is the only state (with Texas) that produces rice on a large scale. Our sulphur mines are the largest and the richest ever known, and can easily compete with the Italian mines which for a long while were the only producers of the mineral. Our wonderful natural gas fields of North Louisiana have also surprised the world.

In looking on the industrial side of our activities, I may mention that we now have located in New Orleans the largest and most complete sugar refinery in the world and you in Baton Rouge have the advantage also of possessing one of the most important plants of the Standard Oil Co. One of the leading packing houses of Chicago has bought a large tract of land on the shore of the Mississippi river opposite New Orleans with the intention of building a new plant, thus anticipating a large increase in their export business through the Crescent City after the completion of the Panama canal. New railroad lines, and new extensions, are being built, which will largely contribute to the development of the business of our state.

Without my mentioning any further facts of our commercial life, I believe that you will readily understand why, notwithstanding the large losses caused by the appearance of the boll weevil on our cotton lands (the result of which was the reduction of our cotton crop from about 900,000 bales to about 300,000) the financial conditions of our state have remained normal and why our banks have not only been able to finance our local business but many of them had also enough surplus funds to buy, during the dull season, large amounts of commercial paper from firms located in other states of the union.

New Orleans is growing steadily as a financial center and the daily transactions of the New Orleans banks with the U. S. treasury in that city have reached such figures that the treasury department of Washington decided to have the assistant treasurer at New Orleans to become a member of the New Orleans Clearing House Association. Let me also remind those who do not live here that Baton Rouge has been made a port of entry for U. S. custom. Furthermore I understand that this same city of Baton Rouge is becoming such a railroad center that the time is not far when there will be built here a monumental bridge joining both shores of the Mississippi river.

All of the above facts, my fellow bankers, mean steady progress, and progress for our state means prosperity and growth for all of our banking institutions.

Now, if we have to depend to a great extent on the planter, the farmer, the merchant, the manufacturer, the laborer, to build up our local deposits, and also on the banks and firms located in other states to concentrate their business with us, so as to have our large cities become new banking centers, let us not forget that all our customers depend a great deal more on us, to act as their faithful trustees, and that we have to manage our affairs with much more care and prudence than the ordinary merchant or manufacturer, thus having to submit ourselves to certain rules and follow certain policies established

for our mutual protection. This is the reason why we bankers have to be the first ones to bring about or uphold any law or logical legislation introduced to give due protection to the interests of our customers, as well as a safe basis as to the rule of conduct in our business.

In this respect the esteemed and able chairman of our legislative committee, Hon. A. T. Merrick, will report to you on the different acts passed by the state legislature at its last year's session which have supplemented and perfected to a large extent the legislation governing banking business in Louisiana. Our executive committee, with your legislative committee, had to make several trips to Baton Rouge to uphold some of the laws and to fight others presented during the last session and it is a pleasure for me to state that the state banking department, the head of which is W. L. Youny, has always shown a willingness to work in harmony with our association. A bill introduced with a view of having on our statutes a general guaranty for bank deposits was reported unfavorably after a hearing given to our executive committee. We had the advantage of putting before the house committee on banking affairs the unsatisfactory results obtained in the states which had tried such a drastic measure as the one which had been introduced in our state legislature.

Have you noticed that people favoring the idea of guaranteeing bank deposits always look at one side of the question, that is to say, they pretend to impose on any good bank its guaranteeing the deposits of any other bank, no matter how the latter is managed and no matter what amount of responsibility it offers to its depositors; on the other hand the same people are willing to permit the organization of a bank by any kind of men and the appointment of any kind of officers or directors without exacting any proof of their ability to conduct a financial institution or any investigation as to their business character and experience previous to their calling themselves bankers.

I was gratified to read in last Sunday's paper that the comptroller of the currency would not authorize any new national bank being organized by promoters.

I have heard a few criticisms concerning the new tax on our state bank examinations; many of our bankers say that, as we annually pay very high taxes, the state administration ought to bear the full cost of running the state banking department. In theory, I agree with this principle, but when it comes to the question of justice and equity in dealing on fiscal questions with any state, we may as well realize that we have a very hard road to travel. I thought heretofore, with many of my colleagues of the executive committee, that the best policy was to provide our state banks, even at a small additional cost, with regular and frequent examinations by our state banking department.

In our profession, we have to contend with public opinion to win the confidence of the people and attract large deposits to our banks, we have to show them our willingness to have our books wide open to thorough examinations and careful investigations to assure the state authori-

ties and the public that we are complying with the laws and taking due care of the moneys entrusted to us.

As long as I have touched on the subject of taxation and as I stated that it was very difficult for us to get an equitable deal, I feel it almost my duty to call once more the attention of this convention to the fact that the banks in this state are the only corporations which are taxed on their holdings of state and city bonds. Why should our banks not be allowed to carry a limited proportion of their capital and surplus in state and city bonds without being assessed on such investments? Would such exemption decrease the revenue of the state? I do not think so; such a measure would encourage our state and our national banks to have a large capital, offering, by so doing, more responsibility to their depositors.

Furthermore, would it not create a ready market and a steady demand for state and city bonds, and consequently, would it not enhance their value and put our state and our cities in a better position to sell their bonds at higher prices?

I thought this question interesting enough to be presented to your attention inasmuch as we are very near the date of the redemption of our \$11,000,000 of 4 per cent state bonds.

There is a law which all banks are badly in need of, and that is the uniform bill-of-lading law. You must be aware of the commercial scandal caused by the failure of the two big cotton houses of Knight, Yancey & Co., Decatur, Ala., and Steele, Miller & Co., Corinth, Miss. You also are familiar with the big financial losses sustained by many banks on account of the fraudulent bills-of-lading attached as security to drafts issued by the above firms. The American Bankers Association has been trying very hard to get a uniform bill-of-lading law passed by the congress of the United States but many difficulties still seem to be in the way, and for some reason or other, there always is a delay in the passing of the bill by both houses of congress. The question of the issuance of bills-of-lading by the railroads and the way of determining their genuineness have been discussed very widely for the last year, but nothing has been done yet, and, strange to say, every proposition that has been brought towards the solution of this difficult problem does not seem to have taken into consideration the fact that the banks of the South were the ones the most interested in the question.

A committee of bankers of the American Bankers Association, composed almost exclusively of New York bankers, has been working with a committee of European bankers without any immediate results, and the latest suggestion is a clearing house for bills-of-lading to be located in New York. The idea is a good one as far as New York and European bankers are concerned. In paying the drafts of their interior customers or in buying foreign exchange covered by cotton bills-of-lading which will be certified by the proposed clearing house in their own city, the New York bankers will be perfectly safe; so will be the European bankers in accepting the drafts, but what about the banks located in the other large cities of the U. S., and what about the country banks financing the exchange between the interior point and the port of shipment? They will still have to handle the bills-of-lading at their own risk without any chance of getting them certified unless their customer is in a position to wait between 5 and 10 days to allow the cotton bills-of-lading to be sent to New York for verification.

In fairness to all the banks of this country, I dare say that the proposed New York clearing house for bills-of-lading looks to me, at first sight, as a one sided affair. I am afraid also that such a proposition will put to a great disadvantage very many banks handling foreign exchange and located in other cities than New York. Does it not mean that all foreign cot-

ton drafts will have to be negotiated through a New York banker or a New York broker?

Now, my fellow bankers, I think this question a very important one for all the banks of cotton raising states. I believe that we ought to give it our immediate consideration, and take the matter up at once with the American Bankers Association of which most of us are members, to find out if there is no better way to care for the interests of all concerned.

In terminating this review of the financial points of interest to our state, I also wish to call your special attention to the national currency problem. When you elected me president of your association last year, I stated that I was a strong central bank man and that we ought to follow with the keenest interest the working of the monetary commission appointed by congress. I hasten to state that the monetary commission has performed a wonderful work and that its members have investigated and studied the question without neglecting the least detail, and after reading the plan to create the National Reserve Association of America, I am of the opinion that the problem almost has been solved and that the action of congress is the only final step needed that this great country may have an entirely sound, practical and elastic currency system.

Taking into consideration the ideas of the people of the United States, which are against centralization and direct banking by their government, taking into consideration the local economic and political conditions in each state of the Union, taking into consideration our business methods which are so different from those of the old world—taking into consideration the existence of the present system of national banks which, in many respects, has worked very satisfactorily and of the large amount of national bank notes secured by United States bonds already in circulation, I believe that nothing better can be enacted than a federal law providing for the National Reserve Association of America, established on the basis proposed by the commission. The National Reserve Association will neither be a central bank nor a government bank but simply a national enterprise in which all of the national banks will be interested as shareholders and in which all of them will have a word to say about the management and the way in which the funds and credits will have to be handled, in accordance with the financial conditions and the requirements of each section

of the country. In the proposed reserve association, the government will not be a partner; it simply will be a supervisor, to see that the government deposits are safely handled and that the currency is perfectly secured and may be accepted the same as an American gold coin at home or abroad.

Among the new features proposed for the national banking law, the one allowing national banks to accept drafts on themselves drawn at 90 days' sight will put the banking business of this country on the same elastic basis of discount as the markets of Paris, London and Berlin and will enable our importers of foreign goods such as coffee, tea, silk, etc., to finance their purchases abroad without always having to apply to London banks.

Now let me reiterate that we have every reason to feel confident of the future welfare of Louisiana and that if we have lost the Panama Exposition of 1915, we have not lost the South and Central American trade which logically belongs to us and on which we already have a strong hold.

Inasmuch as San Francisco has been chosen by congress as the official city where is to be held the international exposition of 1915, we are broad-minded enough to wish to this new American enterprise all possible success. We hope that the bankers of California, in 1915, will have a record year for their travelers' letters of credit business but let us also hope that all the South and Central American merchants intending to visit the exposition of 1915 will come first to New Orleans, and after transacting their business in our state, take a pleasure trip to the Golden Gate.

I wish now to thank all the banks of the state for their kind and useful co-operation in the workings of the Louisiana Bankers Association.

It is well for me to inform you that we have broken the membership record this year, as we are now over the 200 mark. Out of 230 national and state banks in Louisiana, our association has 201 members, and about 155 of them belong to the American Bankers Association. I do not hesitate to urge those who have not yet joined the American Bankers Association to make their application for membership and to enjoy, besides the many privileges accorded, the full protection against bank thieves, forgers and what are generally known as "yeggmen," which they provide through the Burns' National Detective Association service to every one of their members.

It has been the custom of the Louisiana Bankers Association to afford full protection against such criminals, when appealed to by its members; but the expense on that account is increasing so rapidly that I doubt, unless the dues were very largely increased, that the association will be unable to make further provision of funds for this service. That is the reason why I am led to suggest that all members of this association join the American Bankers Association and secure full and effective protection against robberies. I may add that the metal plate provided by the American Bankers Association to all its members, to be placed conspicuously in each bank, has proven an effective warning to criminals, and while the banks non-members have suffered greatly from thieves, those banks which are members of the national association have reported comparatively few attempts at robbery.

In closing my address I must say that I have never seen better feelings or more harmonious competition and real friendship than those existing now among all the bankers of Louisiana. In their name I beg to express our visiting colleagues, bankers of other states, our sincere appreciation and our real pleasure for their having honored us with their presence at this convention.

Bank Reserves

High grade short time obligations of standard corporations fulfil in a marked degree the requirements of a secondary reserve for banking institutions, possessing as they do the following characteristics:

Freedom from violent fluctuations;
Ready convertibility into cash;
Liberal income return.

We have a selected list of short time securities netting from 4¼ to 6 per cent, which are appropriate investments for banks, bankers, and trust companies. We will be pleased to send a list of these upon application.

Ask for our Circular M-124

Guaranty Trust Company of New York

28 Nassau Street

Capital & Surplus,	-	\$23,000,000
Deposits	-	\$133,000,000

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital	-	-	\$1,500,000
Surplus and Profits			500,000
Deposits	-	-	21,000,000

WM. A. TILDEN, President
 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
 THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	.....	\$ 9,887,954.84
February 5, 1909	.....	11,617,691.24
March 29, 1910	.....	15,041,357.21
January 7, 1911	.....	16,736,997.29
March 7, 1911	.....	21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Farwell Trust Company

CHICAGO, ILLINOIS

DEALERS IN

BONDS

CORRESPONDENCE INVITED

Charles G. Dawes

Charles G. Dawes, president of Central Trust Company of Illinois, a former comptroller of the currency, on Friday night of last week addressed Group Six of Iowa Bankers Association at Des Moines, strongly indorsing the Aldrich plan. He said:

"The Aldrich plan for a reserve association is designed to secure to the business interests of the United States the advantages without the disadvantages of the central bank. The reserve association, since it does not accept deposits except from the banks and government and does not pay interest on deposits nor make loans to the business community in competition with the independent banks, may be regarded as the agent of our present great competitive independent banking system through which the latter is enabled to perform certain public services similar to those rendered in Europe through central banks.

"While providing all the powers for good of a central bank, it does not weaken the present competitive system, but serves as a means by which this system can the better serve the business community. The advantage of the reserve association plan over the central bank plan may be stated as follows:

"First—It is a development of the present independent banking system of the United States and not a departure from it.

"Second—The reserve association will tend to maintain the present system of independent banks and to increase its importance instead of lessening it.

"Third—The fact that the stockholders of the reserve association will be the national banks insures of necessity proper supervision and conduct of the branches of the central reserve association.

"Fourth—Because of the distribution of the stock of the reserve association among local banks and the fact that the local banks are represented on the boards of the local associations and the central reserve asso-

ciation and interested in its business the association will not be subject in the same degree to the demagogic attacks which were the great menace to the old central banks and eventually destroyed them, to the great damage of the country through resulting financial panic.

"The reserve association plan will secure to the country the following benefits:

"First—In general it will enable the system of independent banks to exercise collectively, and therefore more effectively, the precautionary measures which each properly managed independent bank endeavors for the protection of its customers and itself to exercise at present, with additional powers for the betterment and facilitation of general business, possible only through united action.

"Second—It will provide an elastic currency, consisting of notes of the central reserve association, which can be secured by the local associations through the rediscount of commercial bills receivable of short maturity.

"Third—It will provide a delegated power

with the opportunity to regulate in a general way the expansion and contraction of this currency to accord with the necessities of business and commerce by alteration of the discount rate, and through its sole control of the right to make note issues.

"Fourth—It will provide an opportunity for the reserve association to regulate the general conditions of banking and commercial credits in a helpful way by supplying credits itself and by checking tendencies towards too great a disproportion between banking credits, and to prevent depletion of bank reserves by supplying its own notes when otherwise the reserves would have to be paid out, resulting in a correspondingly larger contraction of commercial credits.

"Fifth—It will have, in these purposes, the assistance of governmental financial relations, and will render the government in its financial administration reciprocal and equivalent service for this assistance.

"Sixth—It will provide an opportunity to

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 Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms
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THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,446,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,127,000.00

OFFICERS

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Henry B. Bartow, Cashier

John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

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PRESENT NUMBER OF STOCKHOLDERS 930

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ESTABLISHED 1879

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Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

Deposits over - - - 24,000,000

OFFICERS

L. A. GODDARD, President

JOHN R. LINDGREN, Vice-President

HENRY A. HAUGAN, Vice-President

HENRY S. HENSCHEN, Cashier

FRANK I. PACKARD, Asst. Cashier

C. EDWARD CARLSON, Asst. Cashier

SAMUEL E. KNECHT, Secretary

WILLIAM C. MILLER, Asst. Secretary

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IF YOU HAVE NO CORRESPONDENT IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



protect, practically, by means of its discount rates, the gold holdings of the country from exportation, since, by raising rates of interest, it tends to lessen the incentive for shipment of gold to points where higher rates of interest prevail.

"Seventh—It will mobilize the bank reserves of the country so that they can be used at critical times with a power for good impossible under the scattered reserve system now incident to our independent banking system, without the power of co-operation which the reserve association provides."

STRINGENT TEST FOR EXAMINERS

Stringent rules which will put the entire banking department of the state of Kansas on a civil service basis, have been adopted by Commissioner Dolley. In the future every bank examiner engaged by the department will have to pass an examination grading 90 per cent on technical banking matters, and all new examiners, department employees and new officers or cashiers of banks under the jurisdiction of the state department, will have to file a statement concerning their qualifications, habits, property, previous employment and other personal matters. Every applicant must, under oath, fill out a blank giving a description of the applicant and the names, addresses and occupations of all relatives; also stating whether he is married or single, how many members there are in his family and how many are dependent upon him, if single. Then follows this list of personal questions:

To what extent do you use intoxicating liquors?

Have you ever been discharged from any position?

Are you in debt? If so how much and for what reason?

Have you ever gambled or played cards for money?

Have you ever 'played the races' or speculated in any way?

Have you any tastes or habits extravagant in proportion to your means?

Have you always lived within your means?
Are you a member of a Young Men's Christian Association?

Are you a member of any church? If so what denomination?

Are you good at figures?

Do you own the house in which you live?

What is a conservative valuation of the same?

Are there any mortgages or other liens on same?

What is its value? Are there any mortgages or other liens on same?

In addition to the above the applicant must tender a list of names of prominent people who know him and to these persons the following questions will be asked:

Are his parents or immediate family people of good standing and owners of property?

Have you knowledge of any debts, liabilities or embarrassments now pressing him?

Is he, or have you ever heard that he was, suspected of drunkenness, gambling, speculation, extravagance, dishonorable conduct, fraud or dishonesty or immoral conduct?

THE CHARLESTON (ILL.) GROUP MEETING

Charleston, Ill., May 10.—Group Six of the Illinois Bankers Association met here to-day. Mayor T. T. Shoemaker welcomed the visitors, who numbered 150, Frederick W. Thompson of the Merchants Loan and Trust Company of Chicago gave a practical talk on broadening the market for farm mortgage loans. Dr. E. E. Taylor of Moline spoke on better farming. The value of group meetings was discussed by W. G. Edens of Chicago, assistant secretary of the Central Trust Company of Illinois. B. F. Harris of Champaign made a brief talk on the necessity of vocational education. Officers for the ensuing year were elected as follows: President, G. W. Telling, Danville; vice-president, John M. Glassco, Charleston; secretary-treasurer, G. R. Helm, Tuscola.

MONETARY TENDENCIES

Our European credits will shortly be considerably reduced if monetary tendencies continue in the direction of the last week. Discounts in London and in Paris are now on a 2½ per cent basis, or less than can be obtained for money here. Already there has been moderate drawing of exchange against bonds and notes placed abroad, but the holdings of Europeans have recently been augmented by the purchase of New York City revenue warrants and other securities. The largest banking houses, however, have been able to place most of their offerings at home. The bond market is declared by competent authorities to have improved a little during May.

The Savings Trust Company of St. Louis, one of the outlying financial institutions, re-elected a third of its directors at its annual stockholders' meeting this week. These will serve for three years. The re-elected members are: Frank B. Sliger, R. S. Fleming, Simon Seelig, J. W. Taylor and A. W. Alexander. There was no change in the personnel of the officers of the company.

Private Banks Wanted

We are in the market for two or three well located private banks (small state banks considered). Give detailed information and price in first letter. All communications confidential.

Bank and Trust Company Stocks

We specialize in bank and trust company stocks and have special offerings of which particulars will be sent upon request. WRITE TODAY.

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Representing American Bankers Association
General detective work of a high class guaranteed

WE SUCCEED WHERE OTHERS FAIL

We make the same rate for Bankers' private work
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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over **\$40,000,000.00**



EDITOR'S ENCOURAGING VIEWS

S. B. Zane, financial editor of the New York Evening Post, said in Minneapolis:

"The financial outlook through the country at large is excellent, and in the Northwest it could not well be improved upon.

"Financial conditions are too delicate to trifle with, and just now with a good deal of uncertainty existing it would be unfortunate if people were caused to take a wrong view of the future. Among bankers and financial men there is no uncertainty, but with the general public some take a gloomy view and are influencing too many others to see things through the same colored glasses.

"The East is in a waiting attitude. Its financial condition is good, but that condition

is not being taken advantage of for the very good reason that financial men and other business men and manufacturers are waiting to see what the United States supreme court will do in the trust cases.

"The Northwest here is in splendid shape, I find. It is attracting the attention and causing the wonder of the East by the remarkable progress it has made and is making right along. In the general prosperity which is surely coming soon the Northwest will occupy a leading position.

"I come here often enough to see what Minneapolis is doing. No town or country can stand still—it either advances or goes back. Minneapolis has never ceased going ahead and will not for many, many years to come. I regard it as the best city in the Northwest beyond doubt. In the entire country, outside of cities in the million population class, I look upon Minneapolis as the most progressive by 10 to 1. That is no exaggeration. I am not saying this because I am visiting here but because I mean it, and that is what I tell people in every city I visit."

SURPLUS IS INCREASED

Directors of the Harris Trust and Savings Bank have voted to transfer \$250,000 from the undivided profits account to the surplus account, increasing the latter from \$1,250,000 to \$1,500,000. The bank's capital is \$1,250,000. At the last bank call the undivided profits totaled \$386,301. There were also several changes in the officials, Frank R. Elliott, formerly cashier, being elected treasurer, succeeding Howard W. Fenton. Mr. Fenton, who has occupied that position and the vice-presidency for several months, will continue as vice-president. Mr. Elliott is succeeded by John S. Broeksmit, formerly cashier of the Merchants National Bank of Cedar Rapids, Iowa. Harry E. Weese, formerly auditor, was elected assistant cashier.

HEADS BIG JERSEY BANK



CHAS. L. FARRELL
President Essex County National Bank, Newark, N. J.

If you want to buy, sell or absorb a bank

or insurance company, send for me. I will make preliminary negotiations secretly and diplomatically. Everything confidential in my office. All negotiations conducted personally. Nothing intrusted to the mail.

E. A. GRANT

901 Garfield Building, CLEVELAND, OHIO



FRANK K. HOUSTON
Assistant Cashier First National Bank of Nashville, an
Active Member of Entertainment Committee

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER

By Mortimer I. Stevens

WISCONSIN

Aside from what may be termed a general falling off in most lines of business throughout the entire country and which has affected Wisconsin to some extent, the business condition may be termed as fair. In Milwaukee, merchants are feeling the influence of the weather conditions, and enjoying a good trade in spring and summer lines. The manufacturers claim that there is every indication of a good fall trade in the majority of lines. Milwaukee iron and steel industries report sufficient orders on hand to keep running full time for several months and a revival of trade is anticipated before that time.

The bond situation out-in-state is about normal while in Milwaukee most of the houses dealing in high grade securities claim that they have enjoyed a splendid sale of this class of bonds during the past few weeks. This is evidenced by some unusually heavy purchases made by the Wisconsin Trust Company during the past two weeks and a demand for certain classes of securities which has made it difficult for the officers of that institution to meet the demand.

Planning Trip to New Orleans

Milwaukee bankers are planning to charter a special car to go to the convention of the American Bankers Association in New Orleans on November 13th, following the precedent established at the Los Angeles convention last October. Secretary George D. Bartlett of the Wisconsin Bankers Association states that unless more applications are received than have

come to hand up to date the proposed tour of the Milwaukee bankers and their families through Yellowstone Park this summer will be abandoned. While a number of inquiries concerning this trip have been made, yet thus far it has not assumed such definite form as to assure its ultimate success. However, there is some time yet to elapse before the state convention and if enough tourists are secured, one or two special cars will be chartered and the trip will be made. It is intended to have the tour immediately following the bankers convention to be held in Milwaukee July 12th and 13th.

Contract Let for New Bank

The contract for building the new bank for Marshall and Ilsley which is to be erected on East Water Street has been awarded to Paul Riensen's Sons, and the work of razing the old buildings on this site was commenced last week. The new building, the first of the "Bankers Row" will be four stories high with large pillars facing not only on East Water Street but in the rear facing the river as well. Two entrances are provided for; one on East Water Street and the other on a proposed walk on the river front. While no figures have as yet been made public, it is stated that the new building will cost upwards of \$250,000.00.

Successful Meeting at Madison

Group Two, of the Wisconsin Bankers Association, held a most successful meeting at Madison, Thursday, May 11th. The attendance was far beyond expectations and the pro-

gram proved to be of unusual merit. Milwaukee, as usual, sent a large delegation of bankers while the attendance from other points in the state showed the widespread interest in these annual meetings.

As outlined in last week's issue of THE CHICAGO BANKER a number of important subjects were touched upon by the speakers such as "Taxation of Bank Stock of our Group," by M. J. Berg, cashier of the Hazel Green State Bank, Hazel Green; and the "Oklahoma Guaranty Law," by Platt Whitman, president of the Highland State Bank.

Fuller Returns from the East

Oliver C. Fuller, president of Wisconsin Trust Company, has returned from a trip to the East, during which time he took in the meeting of the executive council of the American Bankers Association at Nashville. In New York Mr. Fuller presided at the first annual banquet of the Trust Company section of the American Bankers Association which was held in the grand ball room of the Waldorf-Astoria and was attended by over 600 guests.

General Banking Notes

Farmers and Merchants Bank at Kaukauna is the name of a new state bank which has been organized by 60 local stockholders, final plans for incorporation having been made May 4th at a meeting held in that city. The new bank is capitalized at \$30,000.00.

On May 18th the First National Bank of Marshfield will close its twentieth year as a



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The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

national bank and its present charter will be replaced by a new one issued by the treasury department for a like period of time. Much of the credit of the success of this institution is given to Cashier Hambright who entered upon his duties five years ago.

The Bank of Prentice, Prentice, Wis., recently suffered a loss by fire amounting to \$2,500.

Joseph Meyers, who for many years has been cashier of the State Bank of Reeseville, has tendered his resignation to take effect, May 15th. He will accept a similar position with a new bank at Reeseville.

O. A. Nelson, assistant cashier of the Security Bank of Amherst Junction, will move to Stevens Point about May 10th to accept a position with the First National of that city.

At a meeting of the directors of the First Wisconsin Bank of Fond du Lac George M. Wyatt was elected cashier to succeed John P. Kalt, resigned.

A meeting of the stockholders of the new State Bank of Tomah was held April 20th. J. P. Rice was elected president and C. B. Drowatsky, cashier.

G. H. Peeters, assistant cashier of the bank at Little Chute died recently from apoplexy.

T. Landman, formerly cashier of the Washburn State Bank has engaged in the bond business in Milwaukee.

A new state bank has been started in the village of Wheeler with a capital of \$18,000. Ex-Assemblyman C. D. Codge of Downing is the promoter.

J. A. Bird has returned from La Crosse where he has been ill in the hospital for some time and is once more at his desk in the Farmers and Merchants Bank of Galesville.

At a recent meeting of the directors of the Elkhart State Bank, Herman Osthoff was elected cashier to succeed R. C. Hugo, who resigned to accept a similar position at Chilton.

D. M. Rosenheimer, former cashier of the State Bank at Cedarburg, has moved to Kewaskum. Mr. Rosenheimer will have charge of the new bank in that city.

B. F. HILLMAN RESIGNS

G. F. Hillman has resigned as cashier of the First National at Tremont, Ill., and Daniel Johnson is temporarily filling the place.

A THRIFTY POET

Trust and Savings Bank deposit
Pay us four per cent., because it
Wants us all to go to saving,
So, when old, we'll not be slaving.

Now, a new leaf I am turning,
For a Bank account I'm yearning,
On an income of two-fifty,
I can save if I am thrifty.

Luxuries must be discarded,
Which have only health retarded.
Clothes be worn a little longer,
Buy the quality that's stronger.

Patches only make them warmer,
Neatly done, each patch a charmer.
Wait awhile when styles are newest,
Better case of clothes the fewest.

Personally inspect the buying,
Baking, brewing, broiling, frying,
From leftovers, once rejected,
Dainty dishes now respected.

Eating less and chewing better,
Paying cash I'm no one's debtor.
Pennies I was wont to squander,
Put away in that box yonder,
Soon shall make another dollar,
This is plain to dunce or scholar.

This is one of the prize winners of the "Plans for Saving" contest recently conducted and concluded by the Los Angeles Trust and Savings Bank.

German American Bank is a new one at Carrollton, Ind. Edward C. Smith is president.

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State Convention

Greenwood, Miss., May 12.—The 23d annual session of Mississippi Bankers Association brought out a splendid attendance and a great program was enjoyed.

Prominence was given to discussions of the Aldrich plan, to needed state legislation, relationship of the banker to the farmer and to social features. Interest was added to the occasion by the presence of President Watts, whose work and addresses are arousing keen interest in association affairs.

Mayor G. L. Ray of Greenwood made the formal address of welcome, to which Hon. C. H. Williams, president of Bank of Yazoo City, made response. Wednesday's program was heavily crowded but as most of the addresses and reports were brief the work accomplished made a good showing. The principal speeches came in the afternoon, these being the program features:

"The American Bankers Association," Frank O. Watts, president American Bankers Association, president First National Bank, Nashville, Tenn.

"Needed Bank Legislation," Thos. B. Paton, general counsel American Bankers Association, New York City.

Report of legislative committee.

General discussion.

"The Farmer and the Banker," J. W. Grath, president Commercial Bank, Brookhaven, Miss.

Reception, 8 p. m., at residence of Dr. T. R. Henderson.

Thursday, May 11, 1911, 10:30 a. m., automobile trip to Sumner, Miss. 1:30 p. m., Barbecue at Sumner. 8 p. m., smoker at Elks Club, Greenwood.

LASALLE STREET NATIONAL

William Lorimer, Jr., was on Tuesday elected a vice-president of LaSalle Street National Bank. Young Mr. Lorimer, who had previously been secretary of the institution, was succeeded in that office by his brother, Leonard J. Lorimer. The other officers were re-elected, as follows: William Lorimer, president; C. B. Munday, vice-president; J. M. Apepl, vice-president; Charles G. Fox, cashier, and Thomas McDonald, auditor.

The Chicago and Northwestern has sold to Kuhn, Loeb and Company \$7,500,000 general mortgage 4 per cent gold bonds due 1987.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

WALKER HILL, President
JACKSON JOHNSON, Vice-Pres. EPHRON CATLIN, Vice-President G. M. TRUMBO, Assistant Cashier P. H. MILLER, Assistant Cashier
FRANK O. HICKS, Vice-President J. S. CALFEE, Cashier G. L. ALLEN, Assistant Cashier C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, May 10.—The elevation of George W. Galbreath, cashier, and Richard S. Hawes, assistant cashier, of Third National, to vice-presidents, and the election of John R. Cooke, assistant cashier, to the office of cashier, was in line with the policy of promotion which has always prevailed in that institution since Charles H. Huttig became its president. In this instance the promotions were in recognition of long and faithful service. There is no bank in the West where more esprit de corps exists than in Third National, and this is due largely to the merit system of promotion in practice there. If an office or position is to be filled outsiders are not sought, but one of the bank's own men is given the place. If he makes good he is maintained permanently, otherwise some other employee is given a trial. This rule extends from the lowest to highest offices, and has proved an incentive which has resulted in the stockholders of Third National being as well served as any institution of the kind in the country. The wonderful growth of this bank is attributable in a large measure to this system.

Had Served Long with Bank

Long service records are to the credit of the men promoted. Before entering the Third National, George W. Galbreath made a reputation as a national bank examiner, which position he held four years. Before accepting service with the comptroller of the currency he had been engaged in financial and mercantile business in Sedalia, Mo. Mr. Galbreath was made cashier of Third National in 1896, and for fifteen years has been Mr. Huttig's chief adviser and assistant. He ranks among the keenest and ablest financiers of the Middle West. "Dick" Hawes entered the Chemical National as messenger boy and pass book clerk in 1892, and went to Third National in 1897, when the former institution was merged with the Third National. He was promoted to assistant cashier in January, 1906, and now rises to vice-president. Mr. Hawes has taken an active part in the affairs of the Missouri Bankers Association, and represents his bank at bankers conventions in all sections of the country. Mr. Cooke has been with Third National for thirty-eight years, and has filled every position from messenger boy to cashier. Mr. Cooke's brother, D'Arcy Paul Cooke, the ranking assistant cashier, has served with Third National almost as long, and both are among the most popular financiers in St. Louis.

To Welcome Benjamin Bush

St. Louis financiers and business men generally have planned an elaborate banquet and reception to formally welcome Benjamin F.

Bush, the new president of the Missouri Pacific Railway. The entertainment will be given at the Southern Hotel on May 19th under the auspices of the Business Men's League. Incidentally the plan is to launch the most vigorous civic pride campaign ever known in St. Louis. E. C. Simmons, who instituted the business sunshine movement, which, in 1908 had so much to do with restoring confidence throughout the United States, will be one of the speakers. Former Governor David R. Francis, vice-president of the Merchants-Laclede National, is chairman of the entertainment committee. Much interest is centered in the advent of this railroad president. A complete renovation of the Missouri-Pacific system is understood to be part of plan under which he was elected, and this vast construction feat will be largely financed and engineered from St. Louis. The Missouri-Pacific being the most typically St. Louis railroad, anything for its betterment can not but redound to the welfare of the city.

State Banks Want Recognition

The Missouri Bankers Association, or at least a goodly part of the membership, will insist that some provision be included in the Aldrich currency bill for admitting state financial institutions to the benefits of the proposed national reserve association. This assertion was made by A. O. Wilson, vice-president of the State National, and other St. Louis financiers are in accord with him. Among the foremost of these is Breckinridge Jones, vice-president of the Mississippi Valley Trust Company. Mr. Jones has been a strong advocate of such a provision, and says he has received assurances that the state banks and trust companies will not be left out in the cold. He attended the big trust company dinner in New York, and returned to St. Louis much encouraged. He said the trust company interests were well pleased with the promises of members of the

American Bankers Association and the national monetary commission. Mr. Jones was probably the first American financier to raise his voice in the contention that state institutions should be recognized in the plans for currency reform, and that they should be situated to enjoy in equal measure with the national banks, the advantages of the national reserve association.

Mr. Jones Hopeful

"At Nashville, Tenn., and on my way from that city to New York," said Mr. Jones, "I conferred with members of the executive council of the American Bankers Association and with members of its various sections. Mr. Huttig, of this city, is chairman of the bankers executive council and Festus Wade, also of St. Louis, was chairman of the subcommittee of the monetary commission of the American Bankers Association, which made the report recommending that trust companies and state banks be members of the proposed Reserve Association of America, along with the nationals. The executive committee, composed of over eighty members, passed a resolution unanimously approving the principle. This is of especial interest to the state of Missouri, because of the 1,207 incorporated banks and trust companies of the state, only 130 are national banks. It is gratifying that right here in St. Louis, at a meeting of our Bankers Club, attention was first called to the omission of state banks and trust companies from participation in the plan, and it is pleasant to have the criticism made at that meeting justified, and to know the state institutions will be included. This, in my opinion, will largely allay any fear of centralization of the money power in the government and bring to the support of the plan the financial, industrial and commercial interest of the country."

Bank Examiner Appointed

Considerable interest was aroused in local national bank circles by the announcement from Washington that Gustave A. Miller, cashier of the Southern Illinois National of East St. Louis, will be appointed a national bank examiner and that he will be assigned to the field which embraces Missouri outside of St. Louis and Kansas City. The selection was made personally by Secretary of the Treasury MacVeagh, on recommendation of Representative Rosenberg of East St. Louis. As examiner in Missouri Mr. Miller will succeed Examiner Watson of Kahoka, who has been given the post of examiner in Kansas City, where he will fill the vacancy caused by the resignation of P. H. Walton, recently elected cashier of the New England National of Kansas City.

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is thoughtful, not mechanical.

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National Stock Yards - Illinois**

The Chatham and Phenix National Bank of New York

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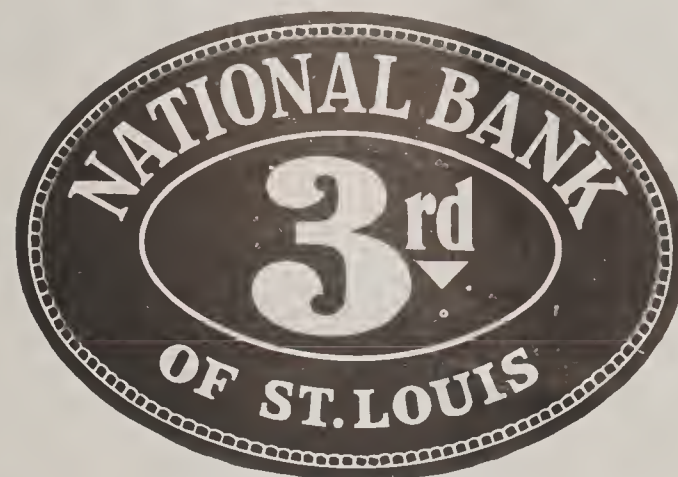
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REPLY TO CONTINENTAL AND COMMERCIAL BOOKLET

William W. Clay, of this city, has sent to THE CHICAGO BANKER a criticism on the Aldrich currency plan as interpreted in a booklet sent out by the Continental and Commercial National of this city. Mr. Clay says:

Senator Aldrich of the National Monetary Commission has announced a plan which is likely to become the basis of the commission's report to congress.

This plan is espoused in banking circles generally, and a campaign of education is being instituted to tell the people all about it.

Now there are many details of the bill which these educators should be called upon to explain, but there is one fundamental error in this latest plan for monetary reform, which will be fatal to the interests of the people. I will give it to you, and perhaps you will ask the educators about it.

The kind of money or currency proposed is similar to the present national bank note, and it is to be created and loaned into circulation for interest. The fundamental error, or impracticability of it is, that it has a greater debt-making than debt-paying quality. That is, if the bankers create and loan into circulation a thousand dollars of this currency for one year at 5 per cent, that money (or currency) has a debt-making quality of one thousand and fifty dollars in money, but a debt-paying quality of only one thousand dollars in money back to the lender; for the lender demands that he shall be paid in money.

Do you get this important, but simple fact? If not, read it over until it is perfectly clear and then try to find where the other fifty dollars, in money, is to come from.

This conception of the senator differs from the present system in detail only, and not in principle. Through the present system, the people are already staggering under a public, corporate and private debt of not less than fifty billions of dollars, which figures up to an additional debt-making quality of two billions five hundred millions of dollars per year, at 5 per cent, but a trifle more or less, as the average rate of interest varies.

Now there is nothing whatever in the Aldrich proposition that even pretends to alleviate the past or which promises anything better in the future for the debtor class. Look it over and you will find no provision whatever, except to make it easier to get into debt without

the slightest suggestion as to how to get out of it, which I presume it regarded as the debtor's business.—And it is the debtor's business.

For what the people and the debtor class need, must have and may have whenever they demand it, is a dollar that will at least pay the debt it creates when it goes into circulation, and which will have a tendency to decrease, rather than increase the present debt. No dollar which is created and loaned into circulation for interest (as the national bank note now is, and the new currency will be according to the Aldrich plan) is capable of paying the debt it creates or of paying existing debt, except by substituting new debt to take its place.

The proposition as it stands to-day and which we are asked to perpetuate on even more burdensome lines, is a proposition of impossible fulfillment, as attested by financial failures every day, and, periodically, by general business collapses and industrial depressions. For these conditions are brought about only through inability to pay monetary debt. But we need not have it that way, and we should take steps not to have it that way; at least, not to have so much of it that way.

WM. W. CLAY,
226 LaSalle Street, Chicago.

To THE CHICAGO BANKER.

A postal savings bank has been opened at Gary, Ind.

BANK STOCK QUOTATIONS

Among the more active Chicago bank stocks quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK	Book Value
Ashland State Bank.....		110	104
Austin State Bank.....	300		241
Calumet National.....	150		146
Central Trust Co.....	173	176	147
Chicago City Bank.....	188	192	145
Chicago Savings.....	137	140	122
Citizens Trust.....	165		120
City National (Evanston).....	300		229
Colonial Trust.....	183	185	179
Continental & Commercial.....	277	279	169
Corn Exchange National.....	425	427	289
Drexel State.....	154	158	116
Drovers Deposit National.....	220	228	173
Drovers Trust.....	185	190	167
Englewood State.....	130	132	122
Farwell Trust Co.....	112	115	115
First National.....	416	418	272
First National (Englewood).....	280		221
Fort Dearborn.....	201	204	132
Guarantee Trust & Sav.....	114	117	113
Hibernian Banking.....	220	223	169
Illinois Trust.....	490	495	280
Kaspar State Bank.....	260		160
Kenwood Trust.....	154	157	125
Lake View Trust.....	141	144	125
La Salle Street National.....	114	116	125
Live Stock Exchange National....	241	247	143
Merchants Loan.....	425	430	304
Metropolitan Trust.....	125	130	131
Michigan Avenue Trust.....	135	138	130
Monroe National.....	130	134	122
National Bank Republic.....	199	201	166
National City.....	198	200	124
National Produce.....	147	149	135
North Avenue State.....	137	140	135
North Side State.....	160	175	164
Northern Trust Co.....	312	316	268
Northwest State.....	123	126	112
Northwestern Trust.....	170	185	137
Oak Park Trust.....	235	240	190
Peoples Stock Yards State.....	218	225	137
Peoples Trust and Savings.....	177	179	130
Prairie State.....	250		115
Pullman Trust.....	158	164	188
Security Bank.....	210	215	169
Sheridan Trust & Savings.....	114	115	110
South Side State.....	143	146	106
South Chicago Savings.....	150	153	147
Standard Trust.....	136	139	127
State Bank of Chicago.....	377	379	228
State Bank of Evanston.....	300	312	237
Stockmen's Trust.....	115	119	118
Stock Yards Savings.....	212	215	177
Union Bank (Chicago).....	145	150	122
Union Trust Co.....	305		202
Washington Park National.....	140		108
Wendell State Bank.....	110		122
Western Trust.....	147	150	115
West Side Trust.....	235		165
Wilmette Ex. State.....	120	130	108
Woodlawn Trust.....	177	182	132

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Kansas City is ready to entertain the bankers of Kansas and Missouri who will attend the two state convention here May 24th and 25th. The general committee appointed by President Downing of the New England National Bank, has gone over the situation with the special committees and every detail has been attended to. It is believed that fully 3,000 bankers and many other visitors will be in attendance upon the two conventions.

The Kansas bankers will meet Wednesday morning in the Masonic temple, Kansas City, Kan., while the Missouri bankers will assemble at the same time in the Willis Wood theater in Kansas City, Mo. The afternoon of the first day of the session has been left open for entertainment. The ladies accompanying their husbands will be taken in hand by the wives of the Kansas City bankers. They will be taken for automobile drives over the boulevards and entertained at luncheons at the Country Club and in private homes. At 1 o'clock of Wednesday the Kansas City Banker's club will give a luncheon at the Hotel Baltimore for the delegates, after which there is to be a ball game. Wednesday night all the delegates from both states will meet in Convention hall to be addressed by Franklin MacVeagh, secretary of the treasury, former Governor David R. Francis, F. O. Watts and others. On Thursday both morning and afternoon will be devoted to the business of the two conventions and Thursday evening there will be a smoker.

New National Bank

Kansas City is to have another national bank which will be known as the Commonwealth National. It is announced that the new institution will begin business June 1st, although the

location has not been decided upon. G. M. Smith, former president of the National Reserve and Central National banks, was active in organizing the Commonwealth National and will be its president, while his brother, L. C. Smith, will be cashier. The bank will have a paid up capital of \$250,000 and a surplus of \$50,000. J. E. Hutt will be vice-president and E. J. Short will be assistant cashier. The directors will be Governor H. S. Hadley, J. E. Hutt, A. Monroe, Lawrence, Kan.; W. L. Lacy, W. H. Avery, J. C. Swift, George E. Ricker, G. M. Smith, Charles Hoefer, Higginsville, Mo., and W. F. Waller.

Resist Guaranty Payment

About fifty state bankers of Oklahoma have decided to resist payment of the 1 per cent emergency assessment levied by the state banking department to rehabilitate the bank guaranty fund. The report made by the accountants employed by the Oklahoma State Bankers Association to investigate the condition of the guaranty fund, disclosed the fact that under the Haskell administration the banking board used guaranty funds to guarantee paper and assets of banks that were not declared to be insolvent. The bankers now refusing to pay their emergency assessment insist that the fund be not used in this manner, and can be used only for the benefit of depositors of insolvent banks. The state bank commissioner is demanding that the 1 per cent be paid and says that suits will be instituted to collect it. The resisting bankers express confidence that their position will be sustained in the courts and are inviting the suits.

Southwestern Notes

Dr. John T. M. Johnston, former chairman of the board of the National Reserve Bank of Kansas City, has been elected to its presidency to

take the place left vacant by the resignation of G. M. Smith. Mr. Smith has organized the Commonwealth National. The directors of the National Reserve also elected three additional vice-presidents from the membership of the board. They are: John C. Knorpp, W. E. Halsell and F. G. Robinson.

The National Bank of Commerce of Wichita, Kan., is enlarging its quarters and will make a general change in its arrangements.

The Reece State Bank has been organized in Greenwood county, Kansas, with a capital of \$10,000. A new building is being erected for its quarters in Eureka. The officers are: Abe Bowman, president; J. McMains, vice-president and B. R. Smith, cashier.

J. Z. Miller, Jr., vice-president of the Commerce Trust Company of Kansas City, has returned from a business trip to the Northwest. He said he found conditions prosperous and the financial people of that territory feeling confident of an era of good times.

The comptroller of the currency has approved the application of the following persons to organize the First National Bank of Belden, Neb.: Charles G. Jordan, G. G. Westrope, John Beuck, James Rabman and F. A. McCormick. The capital of the bank will be \$25,000.

Articles of incorporation have been filed for a new bank at Leeton, Mo., sixteen miles south of Warrensburg. A. C. Todd is president and W. T. Baker vice-president. The bank will have a capital of \$20,000.

After a second unsuccessful attempt to indict Grant Hornaday, president of the First National Bank of Fort Scott, Kan., which failed two

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years ago, the case will be dropped. When the bank failed Hornaday was very prominent politically and it was thought that the first failure to indict him might have been due to political influence. The government therefore recently brought a special prosecutor from Iowa but without avail. The only charge against Hornaday is that he accepted deposits when the bank was in a failing condition.

The Merchants Trust & Savings Bank is the name of a new financial institution recently organized in Dallas, Texas. It has a capital of \$50,000 and will do a general banking and trust business. The officers are: Thomas Love, former state bank commissioner of Texas, president; George W. Blakeney, vice-president; W. C. Evans, former state bank commissioner, cashier; Joseph S. Myers, former state labor commissioner, assistant cashier. The officers with William Bartee, A. Patton and H. L. Smyer will constitute the directorate.

The trial of Henry Hoerr and Neil Mulcahy, accused of belonging to the gang of bank robbers doing business in Kansas during the past winter, has begun at Maryville, Kan. The Kansas State Bankers' Association, represented by Russell A. Algire of Kansas City and J. N. Dolley, state bank commissioner of Kansas are active in the prosecution. The specific charge against the men is that they took part in the robbing of the bank at Beattie, Kan., November 8, 1910. Hoerr was arrested at Wymore, Neb., and Mulcahy in Kansas City several months ago. Other arrests have been made in connection with this robbery. Dan Carney was taken at Portland, Ore., and Frank Wheeler is out on bond.

Tom Jordan, "bad man" and cattle rustler, rode into Keystone, Okla., May 8th and with a shot gun attempted to rob the Keystone State Bank. When Jordan emerged from the bank he was shot by a citizen.

Mortimer R. Platt, 75 years old and a pioneer of the Central West, died at his home in Kansas City last week. He established the first bank at the Kansas City stock yards and was its president for several years.

The directors of the Union Stock Yards Company of South Omaha have voted to issue \$5,000,000 in bonds to be floated during the next twenty years as needed for improvements. Of this amount \$700,000 will be floated at once, \$400,000 of which is to be used to take up floating indebtedness and the balance of 300,000 to be expended for installing a waterworks system and making physical improvements at the yards. R. J. Dunham of Chicago, president of the stock yards company, attending the meeting and authorized the bonds.

ST. PAUL AND MINNEAPOLIS

Returning from a trip by special train to a Northwestern development league meeting at Helena, bankers of St. Paul and Minneapolis express themselves optimistically. J. A. Latta, vice-president of the Northwestern National, said: "There is a much larger grain acreage in Montana and North Dakota and the crop outlook is much better than last year. Some parts of Montana got very poor crops last season. This year they have the crops in and started under conditions promising very favorably."

H. A. Willoughby, cashier of the First National, Minneapolis, said: "I have been going into Montana every year for three years and I never saw it look better at a corresponding time. Bankers are pleased over the outlook, for with just a fair amount of rainfall from now on the state will make a good crop. The improvement that has been made through Montana generally in the past three years is most remarkable."

W. A. Durst, secretary of the Minnesota Loan & Trust Company, says of the Minnesota bill making it possible for investors in Minnesota to put money into 4 per cent bonds of Minneapolis without being subject to the tax

of 31 mills: "The action of the legislature giving tax exemption to municipal bonds in Minnesota will operate eventually to strengthen the position of Minneapolis as an investment city. It was a move in line with changing conditions."

R. W. Webb of the Minneapolis Trust Company, said: "With a \$1,000 bond bringing an income of \$40 a year and the assessment valuation of \$500 placed on it, the tax rate applied makes a tax equal to \$15 and brings the net return to \$25. Naturally the new law will help the sale of bonds locally."

J. A. Latta, vice-president of the Northwestern National; W. F. McLane, cashier of the Hennepin County Savings Bank, and Professor R. H. Hess of the economics department of the University of Minnesota are the judges to pass upon the papers written by Minneapolis bank clerks, for the Hulbert prize, on the Aldrich bill. Papers are to be in August 1st and are not to exceed 2,000 words.

N. F. Halwey, secretary-treasurer of the Farmers' & Mechanics' Savings Bank, believes that talk about troubles doesn't help them. He says: "If people didn't talk so much about the times being dull, we'd think they were the most prosperous we ever had. Investments are paying as well as ever they did, and business men say they have found things in good shape all over the country. In fact, a traveling man, whose territory covers a great part of the Northwest told me the other day that he had three times as many orders in Minneapolis during March of the present year as he had in 1910. And we hear similar accounts from different parts of the country."

Fifteen years moribund, the St. Paul Stock Exchange has revived with vigor. It opened in the directors' room of the Security Trust Company in the Capital National building. The following officers were elected: A. M. Peabody, chairman; Edwin White, vice-chairman; E. C. Kibbee, secretary and treasurer. These with R. H. Merriam and W. S. Grubbs, constitute the directors. The membership price was fixed at \$100. Following is a list of charter members: A. M. Peabody, W. S. Grubbs, E. C. Kibbee, R. H. Merriam, L. H. Ickler, Edwin White, C. O. Kalman, George Newell, L. C. Murdock, F. E. Ford, E. P. James, Ira C. Oehler, Harry W. Parker, F. A. Nienhauser, J. L. Mitchell and M. W. Matteson.

After sixteen years service W. H. Hamilton has retired as manager of the safety deposit vaults department of the German American Bank, St. Paul. He will leave June 1st.

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Editorial Comment

GOVERNOR WILSON'S PLATFORM

Governor Woodrow Wilson, in the English fashion, went all the way to Denver to make public his own political platform, defining his own ideas of attainable and desirable popular reform. The address was at a banquet of the Denver Chamber of Commerce and the hit was instantaneous and emphatic. The governor has a facility for stating things in a convincing and understandable way. Bankers never have forgotten his address on "The Banker and the Public," at the big A. B. A. convention at Denver. He told them some pretty plain truths but they liked it and cheered the speaker.

It is expected that Governor Wilson will address the Illinois bankers convention at Springfield in October and the crowd will be the greatest in the twenty-one years of the association's history. On the day prior to the convention a banker-farmers' congress is to be held and they will want to hear the Princeton sage. The owners of half a million acres of Illinois farming land, and of all the Illinois banks constitutes a force for molding public opinion that the big New Jersey governor's advisers will be prompt to recognize.

Here's the Wilson platform:

"In the first place, we mean to open up all the processes of our politics. We find that they have been too secret, too complicated, too roundabout; that they have consisted too much of private conferences and secret understandings.

"We have determined, in the second place, to give society command of its own economic life again by denying to those who conduct the great modern operations of business the privacy and independence that used to belong properly enough to men who used only their own capital and their individual energy in business.

"In the third place, we have determined to safeguard our national resources at every point, realizing, as we do, that we have been too lavish of them and have used them in spend-thrift fashion.

"In the fourth place, we have made up our minds to cut all privilege and patronage out of our fiscal legislation, particularly out of that part of it which affects the tariff.

"In brief, we mean by every progressive measure suggested in such a catalogue of purpose to throw open the gates of opportunity to mankind."

When you think it all over, again and again, doesn't it make a hit with you? Makes the vote catching platitudes of the political-statesman seem quite cheap and tawdry. Don't be the very last in your community to hail a leader of men.

GAIN FOR MANUFACTURERS

Exportations of manufactures in March show a growth, being at the rate of more than one billion dollars a year. The actual figures of the month are: Manufactures ready for consumption, \$57,409,206; manufactures for further use in manufacturing, \$27,345,645;

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

total, \$84,844,851, this figure being at the rate of more than one billion dollars for a 12-month period.

The share which manufactures formed of the total exports of domestic merchandise during the month was: Manufactures ready for consumption, 36.24 per cent; manufactures for further use in manufacturing, 17.23 per cent.

Convention Dates

TEXAS—Dallas, May 16, 17 and 18; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Oklahoma City, May 22 and 23; Secretary, W. B. Harrison, Enid.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

MASSACHUSETTS—Swamscott, June Secretary, G. W. Hyde, Boston.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

GEORGIA—Tybee Island, Ga., June 8 and 9; Secretary, L. P. Hillyer, Macon.

WEST VIRGINIA—White Sulphur Springs, June 11 and 12; Secretary, J. S. Hill, Charleston.

IDAHO—..... June 12, 13 and 14; Secretary, L. A. Coate, Boise.

MICHIGAN—Detroit, June 12 to 17; Secretary, H. M. Brown, Detroit.

PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

ILLINOIS—Springfield, October.....Secretary, R. L. Crampton, Chicago.

NATIONAL CONVENTION—American Institute of Banking, Rochester, New York, Sept. 7, 8 and 9.

IMPROVING BANKING METHODS

Bankers, owing to the perfection of their methods and to their well established religion of conservatism, often are the very last to recognize the possibilities of improving conditions. Banking institutions seldom are the first to adopt new business systems and this accounts in large part for the years of delay in coming to the single gold standard; to the necessity for uniform bills of lading; to the advantages of organizing into groups and state associations, and the backwardness in taking their true position of influence in shaping and controlling the new legislation of the country. To this position "to let well enough alone," may be attributed the long and continuous struggle which has been necessary to bring about reform and up-to-date banking laws in the states and in the nation. Are not bankers to blame for the fact that the United States government for a hundred years has demanded cash payments for revenue stamps, import duties and postal transactions? While bankers were busy teaching the public the use of checks and letters of credit, they have been carting their daily clearing house balances through the streets in ancient wagons—a strictly primitive method.

But all of these things are to be remedied finally. The Chicago Clearing House is one of the most active institutions of its kind in America. It boldly adopted the clearing house examination system and that new doctrine has spread through nearly all of the other cities. At present this same, standard organization is digging deep into the earth under the Central Trust Company building to make vaults in which millions of gold may be stored and upon which drafts will be drawn for the settlement of clearing house balances. The ancient currency wagons with their iron grills and armed policemen will be seen no more. This is modern and should have been brought about many years ago.

The New York Clearing House, after many years of scandalous banking collapses has decided to recognize the trust companies and to adopt supervisory methods found so effective in Chicago. New York trust companies are to keep reserves which will be no hardship on the stronger ones and which will strengthen or eliminate the weaker ones. This will go far towards inducing honest and safe banking in that great center. Bank promoters and originators of chains of banks will give them a wide berth.

In addition to all these new things, certified checks will, after June 1st, be accepted by the government at New York and elsewhere for duties on imports. These certified checks must, according to the law, be collectible through the clearing house and this will operate in New York and elsewhere to bring all important institutions into the clearing house organizations. The wonder is, and will continue, that all of these things have not been done years ago.

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The founders of the Northwestern National Bank exercised foresight in selecting its title.

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Mississippi Bankers' Convention President B. W. Griffith of Vicksburg reviews banking conditions in the state and discusses guaranty and other questions

At each recurring convention of this association I have listened with interest and profit to the president's address, but now that my turn has come to present one it seems there is nothing to say which will either interest or instruct. For once I am sure that the wiser course would be to omit this part of the program and devote the time to other papers and discussion. However it is well perhaps to keep up the custom, else we might miss some excellent things succeeding presidents may have to offer.

During the past year the banking business has shown substantial growth. A comparison of statement furnished by our very careful and efficient state auditor, Hon. E. J. Smith, for the 11th of November, 1910, shows for 1909, investments, \$74,729,000.00; cash and exchange, \$18,912,000.00; deposits, \$58,111,000.00. For 1910, investment, \$79,555,000.00; cash and exchange, \$22,348,000.00; deposits \$67,957,000.00.

The last obtainable data (those of Feb. 1, 1911) show further growth, and place investments at \$74,749,000.00; cash and exchange \$31,787,000.00; deposits, \$79,268,000.00.

These figures may be used by the expert manipulator to prove what you will. To me they indicate increased business in our state, agriculturally, industrially and commercially. They also indicate that this business activity has been productive of a material increase in the developed resources and available wealth

of our state. They also show the unwavering confidence our people have in our financial institutions.

It will be recalled that when we last met the Knight, Yancy & Company, and Steele Miller and Company failures had but recently occurred and their forgeries of cotton bills of lading become known. It will be remembered that this association passed resolutions of strong censure on the guilty parties and deepest sympathy for the victims both at home and abroad. Very soon thereafter a New York paper published an editorial containing the severest strictures on the southern people for their failure to punish these criminals and criminals generally, and bringing a sweeping indictment against the honor and integrity of the entire South, John M. Clark, cashier of the Bank of Tupelo, called my attention to the editorial, and suggested that I, as president of this association, answer the same. This I did under date of June 16, 1910, as follows:

To The Editor: Usually your editorials not only are interesting and instructive but fair, and are read with pleasure and profit by us in the South. But a late editorial relative to the failure of two cotton firms in Alabama and Mississippi is misleading, unjust and offensive. It indorses an untruthful report as to the animus of our people towards "Yankees and Britishers," holds up our farmers as dishonest and casts a gratuitous slur on our commercial in-

tegrity. It is the wish and hope of all our people that the men guilty of fraud in these cotton bills of lading shall be punished. They ought to wear prison stripes. It is true that their prominence (and means) will be against chances of conviction. But it is no more true south than north, west than east. And certainly it is not true that there is a "general satisfaction current that these culprits had gotten the better of Yankees and Britishers." It is spoken of only in terms of censure.

By stating that "many farmers repudiated their future cotton contracts with merchants," and then reading us a lecture on "the deplorable state of (our) commercial morality," you produce the impression that the southern farmer as a class is dishonest. In some cases "repudiation" was in fact the simple inability to comply with contracts, in others there were honest contentions over terms. The "dishonest" repudiations were in fact too few to warrant your wholesale impeachment. And why single out the cotton grower for your animadversions? He is no more prone to "lay down" on his future contracts than is the grain grower or the cotton spinner.

We are willing to accord to our brothers of the north and east a high standard of commercial integrity, but neither this virtue nor any other belongs exclusively to those living north of the Ohio river. And the south has no monopoly in "dishonest" farmers, manufacturers,

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tradesmen or financiers. Nor is it the only place where violators of the law because of high standing and great wealth, go unwhipped.

The editor was fair enough to publish this letter promptly in its columns. Recently on the verdict of a Mississippi jury three of these forgers were sentenced by a Mississippi judge to prison terms, and now wear the stripes of a criminal. It remains to be seen whether these over-ready and too zealous critics will make the amende honorable and give it the same publicity they gave their strictures.

Not long since a young man by the name of Whitaker, who had been issuing forged checks on several banks in the eighth district was sentenced to prison at a term of court held in Vicksburg.

Our secretary has been advised of other frauds or attempted frauds and has promptly notified the members of the association, and referred the cases to officers of the law. Constant vigilance is needed in such matters, and all members are earnestly requested to promptly advise the secretary of any such attempts.

For prosecuting one case the Coffeeville Bank sent me an attorney's bill for \$100. It seems to me that this cost should not fall on one member, especially as other members had been victimized by the same person, and I recommended its payment by the association. Of course we cannot pay for prosecuting every little case where purely local, but where the matter is of general interest we should assume its cost.

As an aftermath of these cotton bills-of-lading forgeries there was a covert threat on the part of our British cousins to decline to honor any drafts drawn against cotton shipments unless the ladings and the cotton as to grade and weight were guaranteed by the New York banks, which would in turn demand like guaranty from the country banks. The foreign bankers did not long hold to these extreme demands, but after conference a proposition was made, as embodied in the following telegram sent out to the southern banks by Jos. T. Talbert, vice-president of the National City Bank, of New York City:

"We can settle cotton difficulty in no other way than by giving Europeans a guaranty covering not only integrity of validated bills of lading but guaranteeing against forgery. Europeans propose to form a guaranty company of large capital for that purpose furnish-

ing such insurance at a cost not more than 6 or 7 cents per bale. They will invite interests on this side to join. We are favorable to this settlement and hope you will use your influence with bankers and cotton trade generally to cheerfully accept this as best possible solution; otherwise cotton movement will be seriously impeded next week. If accepted we can procure necessary extension of time. Would appreciate your co-operation and an expression of your opinion.

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Answering for myself I replied as follows:

"I think guaranty company unnecessary. Banks where cotton bills of lading originate should guarantee authorization and genuineness of agents' signature. Our courts will hold railroad companies for all cottons thus receipted for, and spinners can protect themselves as to values by dealing with only such firms as will ship proper grades under correct weights."

State Bank Guaranty

The fad of state bank guaranty laws, so rampant a few years ago, is losing favor in an almost geometrical progression. It first appeared in American banking some seventy years ago, and after a fitful life of a few short years slept well for more than half a century. The knock-out blows it lately has received will doubtless soon put it to sleep again. May its slumbers be forever undisturbed.

For the second time the governor appointed A. G. Campbell, W. M. Anderson and myself as delegates to represent our state at the convention of the National Association of Supervisors of State Banks. This meeting was held in Washington City on Sept. 12-14, 1910. It was my good fortune and pleasure to attend. The meeting was a great success. A prominent theme was co-operation between national and state bank examiners. On this subject a splendid paper was presented by Comptroller Murray. The principles of banking are the same whether applied to national or state banks, and the supervision should if possible be along identical lines. The great end was a cordial relation among the examiners whereby the fullest and most accurate knowledge of conditions of both kinds of banks in any location might be acquired.

The question of having the association through its secretary become the agent of some fidelity insurance company for bonding officers and employees of members was referred to me. For many reasons it seemed to me very objectionable. In the first place, we would be competing with some of our good customers in a line of business foreign to banking. Secondly, should the company fail to pay promptly any loss sustained by a member, such member would straightway blame us with foisting on him a company given to contesting, and claim that we morally were bound to make good its loss.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

New Transit Plan

The work of printing the new transit plan has been placed with Rand-McNally Company, Chicago. The book is now in type and in the course of a few days more will be ready to go out to bankers who wish to try the numerical system. The executive council at Nashville approved the plan as developed and there can be little doubt of its general adoption. Bankers all over the country are taking keen interest in the matter.

Some years ago an attempt was made by the clearing house section of the association to establish a uniform system whereby the larger clearing house cities were designated by letters and the banks therein by numbers. But this plan was not sufficiently comprehensive in its scope, as it was necessarily limited to the letters of the alphabet and did not include even all of the clearing house cities, not to mention towns and cities without clearing houses. The result has been that each bank in the country having a large list of country correspondents has been forced to supply its own system of numbers to those correspondents, so that the larger banks found themselves with as many numbers as they had correspondents.

About a year ago the Texas Bankers Association adopted a numbering system of its own and proceeded to put it into effect with apparent success. It was evident that other states would soon follow and that there would be a score or more of systems of numbering by states without any uniformity as to the principle of its application.

In order to obviate this the clearing house section of the national body met in Chicago last December and considered this matter with a view of adopting a uniform system. There were present at that meeting:

C. H. Marston, National Shawmut Bank, Boston.

S. D. Bullock, First National Bank, Boston.

W. G. Schroeder, Continental and Commercial National Bank, Chicago.

J. A. Walker, Corn Exchange National Bank, Chicago.

C. R. McKay, First National Bank, Chicago.

Carl A. Palmer, First National Bank, Cleveland.

J. W. Hoopes, Austin National Bank, Austin, Texas.

C. J. Grant, American Exchange National Bank, Dallas, Texas.

Forrest Mathis, Commonwealth National Bank, Dallas, Texas.

Karl Woodward, Colorado National Bank, Denver, Colo.

George M. Hauk, First National Bank, Denver, Colo.

J. G. MacLean, Security National Bank, Minneapolis, representing Minneapolis and St. Paul.

Mauritz Pyk, Whitney-Central National Bank, New Orleans.

O. Howard Wolfe, Philadelphia National Bank, Philadelphia.

Brown A. Patterson, Second National Bank, Pittsburgh.

H. C. Burnett, National Bank of Commerce, St. Louis.

A committee was appointed consisting of W. G. Schroeder, secretary of the Continental and Commercial National Bank; J. A. Walker,

transit manager of the Corn Exchange National, and C. R. McKay, transit manager of the First National, all of Chicago, to perfect a system of numbering applicable to all banks, whether national, state or private, in the United States. This committee made its report to Chairman Van Vechten of the clearing house section last month and was invited to attend the executive council meeting of the American Bankers Association at Nashville.

Much to the credit of the members of the committee who have devoted a great deal of time to this matter, the plan in the report provided for the grouping of banks by central reserve cities, reserve cities and by states, and assigning to each individual bank a specific number received the unqualified approval of the executive committee of the clearing house section and of the executive council of the bankers' association.

It was decided to authorize the publication of an official directory, assigning and containing these numbers. This directory is to be a permanent thing and will have to be revised once a year or oftener.

C. B. West

The American Institute of Banking is becoming recognized more and more throughout the country as a substantial means for training young bank men successfully for official bank positions. Another example of an active chapter man being promoted to official position, is found in the announcement made recently, that C. B. West, of the Seattle National, will be first assistant cashier of the National City Bank of Seattle, which will open for business in the Puget Sound city, June 1st. The Commercial State Bank has been purchased by J. W. Maxwell, formerly vice-president of the Seattle National Bank, and associates, and will be capitalized for \$500,000 with surplus of \$100,000. Mr. West is one of the progressive and popular young bank men of Seattle and is known as a business getter.



CHARLES B. WEST
Assistant Cashier National City Bank of Seattle

Banking Powers

On Saturday, May 6th, John W. Thomas, assistant cashier, Central Trust Company of Illinois, Chicago, delivered an address to the Missouri Mining Association composed of the senior and junior classes of the University of Missouri School of Mines at Rolla, Missouri. Substantial extracts from the addresses are here reproduced:

"The statutes of the state in which my own home and the concern with which I am connected are located, constitute an excellent code of laws relative to institutions with banking powers, this code being in many ways similar to the national act. Private banking concerns are not subject to any of the restrictions and examinations to which national and state banks are. In days past, state institutions have been permitted to issue their own notes as currency, and those of us who are interested are familiar with the difficulties experienced by the nation in connection with these notes, these difficulties giving rise to the appellation wildcat currency which has been applied to that form of circulating medium. Under existing laws, while the issuance of currency by state banks has not been specifically prohibited, this object has been accomplished by national legislation, which imposes a tax of 10 per cent upon all currency of that character issued, and as such circulation could by no possibility earn for the issuing institution any such annual income as the amount represented by this tax there is none of it now in circulation. The present money of the country consists of the gold, silver and minor coinages, legal tender notes, treasury notes, gold and silver certificates and national bank notes, the latter issued under conditions imposed by the national banking act by institutions incorporated under that act, these conditions, among other things, requiring the deposit of bonds with the treasurer of the United States as security for the payment of these notes.

"In addition to the various classes of money just referred to one may well add as part of the circulation medium of the country the bank check, as under present conditions by far the largest number of business transactions are settled not by the use of actual money but by the giving of a check upon a bank, some authorities having estimated that over 90 per cent of the total volume of business is settled in this manner.

"A very important item in the machinery of present day banking is the clearing house. In times past checks drawn upon the various banks within a community were collected by presentation at the counter of each bank by a messenger from each of the other institutions, who collected in money the amount of such checks, it being necessary for every bank to collect its items in this way. As the volume increased the impossibility of handling it in this manner made necessary some arrangement which would obviate it, the result being the clearing house, its only function originally being the payment of checks. This arrangement involved a meeting, at a central point, of representatives of the various institutions, each of whom carried to the clearing house the checks which his bank held drawn upon other institutions rep-

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resented in the association, accepting from these representatives the checks drawn upon his own bank and either paying in the difference, in the event that the amount of the checks received by him exceeded the amount of those brought, or collecting the difference if the reverse was the case.

"This operation is to-day identical with what it was originally. The Clearing House Association, however, has by a process of evolution grown to be vastly more than a means for the collection of checks. The largest cities of this country have all organized Clearing House Associations and these associations exercise a supervisory function relative to the banking interests of the community. In Chicago, for instance, the association elects at an annual meeting of the representatives from each member bank the officers of the Clearing House Association, and also has what is known as a Clearing House Committee, this committee being a body with executive powers, in connection with the affairs of the association. Matters of general interest are taken up and passed upon by this committee.

"Chicago a few years since inaugurated a system of examination of the banks, members of the association, by an examiner appointed by the association for this purpose, who from time to time with a corps of assistants makes a thorough examination of the affairs of each member. This examination has been found a very desirable addition to our banking methods and is now being very generally adopted throughout the country. It not only assures all the associated banks of the soundness of the various institutions composing the body, but conservative bankers recognize in it a deterrent upon those individuals and institutions which might be disposed to engage in enterprises that would be hazardous and not sound banking. Regarding the individual, there is no country in the world where banking facilities are so universally availed of and the check book so prevalent as in this country of ours.

"As already referred to, a very large and increasing proportion of the banking business of the country is conducted by institutions organized under the banking acts of the various states, a large number of them being denominated Trust Companies, owing to provisions in their charters which permit them to engage in one of the comparatively new phases of banking, namely, trust affairs; and it might be well right here to note the distinction between

the term trust as applied to transactions of commercial corporations, in which use the name is now a misnomer owing to changed commercial conditions, and as used in connection with banking.

"The Trust Company of to-day occupies a large field in its relation to the affairs of the community, and as your interests in banking will no doubt have to do largely with corporation matters, and as Trust Companies perform many functions in that connection, it will probably be well to go more fully into details regarding the Trust Company than would otherwise be necessary. The fact that a banking corporation contains in its title in some form, the words Trust Company does not necessarily imply that it is qualified to conduct a strictly trust department, in its affairs. The statutes of Illinois, for instance, provide that an institution may be incorporated with banking powers, the chosen name being Trust Company, and meet all the requirements of this law for the conduct of banking business without, however, qualifying under the act to perform trust functions,

permission to engage in the latter phase of the business under Illinois statutes involving a deposit with the auditor of state of acceptable securities before such permission will be granted, the minimum deposit of this kind in cities with a population of 100,000 or upward being \$200,000.

"Under this permission the Trust Company is qualified to accept trusts of various kinds, such, for instance, as acting as administrator or executor of estates, guardian of minor heirs, conservator of properties for adults adjudged incompetent to handle their own affairs, representing non-resident owners, acting as trustee in various matters, such as, for instance, the issuance of bonds by corporations, secured by trust deed on their properties; and acting as transfer agent and registrar of stock of corporations, the practice having become very general of having a disinterested but responsible institution take charge of the stock records, especially of corporations whose stock is listed and traded in on the various exchanges of the country, this being a safeguard to guarantee against issuance of stock certificates in excess of the corporation's authorized capital.

"This brings us to a subject which your president suggested would probably be of quite a general interest to you, namely, corporations and their form of organization. A commercial corporation, as you all understand, is an organization effected for the purpose of conducting a certain line or lines of business and may perhaps be said to involve the element of partnership, only to the extent that it is composed of more than one individual. One of the advantages of a corporation is the facility which it affords for obtaining capital. An individual may have a business project which is susceptible of large development and not possess sufficient means to carry it out himself. By enlisting the interest of others he may obtain the requisite capital and consequently incorporate the business, the amount of its capitalization being determined by the conditions which enter into the enterprise, certificates of stock in the corporation being issued to the various individuals as their interest is enlisted, according to the amount of money that they may be willing to invest. Another advantage of incorporation is the fact that in most states liability of stockholders is limited, in many instances to the amount of their investment. This, however, is not the case invariably, as, for instance, the

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laws of California, which provide that the stockholders of a corporation are responsible for its debts to the extent of their proportionate holding of the capital stock of the concern. That is, assuming that an individual owns one-tenth of the entire capital stock of a corporation, he would be responsible for one-tenth of its indebtedness, and, furthermore, this liability could not be averted by transfer of his stock, but he would be responsible in the case of the institution getting into financial difficulties, for his proportion of such of the indebtedness as was incurred during the time the stock was owned and held by him.

"In forming a corporation the capital stock may be all of one class, in which case it would be known as capital stock. It may, however, be made in different classes such as preferred stock and common stock, or first and second preferred stock and common stock, and the conditions pertaining to the various classifications of stock would be designated by the articles of incorporation. These terms may vary considerably, that is, preferred stock may have a preference in regard to both earnings and assets of the company. It may be preferred as to assets and not as to earnings, or it may be preferred as to earnings and not as to assets. The dividends which it may be entitled to may also be subject to the articles of incorporation. In other words, preferred stock may be entitled to a certain dividend, the amount fixed by its terms, if earned, and in the event that it is not earned carries no liability on the part of the company for the payment of dividend for that particular period, or it may by its terms be cumulative, in which case it would be entitled to dividends at the rate named, out of any earnings of the company before there would be any dividend payment to the common stock. To illustrate: Assuming that a corporation conducted its business for a period of say five years without having made any money, when such concern becomes profitable if the preferred stock were a cumulative 6 per cent stock the preferred stock would be entitled to accumulated dividends amounting to 30 per cent of its face value before the common stock would be entitled to any participation in the profits.

"In forming a corporation in a large number of and, in fact, most instances, properties are taken over and paid for in stock of the corporation at a certain valuation. The importance to the stockholder of having the full paid value of his stock established beyond question lies in the fact that in the event of a corporation getting into financial difficulties if it is possible for creditors to prove that any of the stock of the corporation was issued without being actually paid for in full, an action at law for the collection of the unpaid portion of the stock would lie against the holders of such stock and the amount proven unpaid be collectible.

"In connection with mining corporations, under certain jurisdictions, a stock is by its terms issued as non-assessable stock, the result being that for the operations of the property

the directors could not assess stock, fully paid for, but the necessary funds must be obtained either by increasing the amount of stock by a proper legal process or raising them in some other way. Under other jurisdictions, however, the laws of Idaho, for instance, non-assessable stock cannot be issued by a mining corporation, but assessments may by action of the board of directors of the company be made against outstanding stock for the purpose of carrying on the enterprise or meeting its debts.

"We will now assume that the general plan of organization of your corporation has been determined upon and that you are considering the amount of money necessary to carry out the proposition. Necessity frequently imposes conditions which have to be met, in which case the operations will have to be adapted to the money available. For the sake of example we will assume, however, that this is not the case and that it only remains to be determined just what amount of capital is desirable. It is important right here that an ample allowance for what is denominated working capital be made, it being very easy to underestimate this item. Remember at all times that in starting a corporation, whether it be for the purpose of manufacture or mining or any other branch of business, that, in addition to the actual cost of the installation of such plant as may be necessary, working capital sufficient to tide over the period between the commencement of operations and the time when the products of that business bring returns involves the use of considerable money for the day to day operations.

"Assuming that your enterprise is a manufacturing one, you must first acquire your site. Possibly you will be fortunate enough to find a

building adapted to your needs, otherwise it will be necessary to erect this. The installation of machinery takes time as well as money and after you have completed all of these preliminary details and are ready to turn out your product, remember that in addition to the time necessary for the manufacture of the product itself, before your returns will begin to come in goods must be sold, shipped, and transported to destination, and that as a large proportion of the business of the country is done on a credit basis, and various lines of industry have adopted different general terms of payment, a considerable period of time may still elapse before the actual money returns for products sold are received. In the meantime purchases of raw material must continue to be made, bills for labor met, machinery maintenance and fuel provided for. Therefore, as we have heretofore stated, a sufficiency of working capital is of the utmost importance.

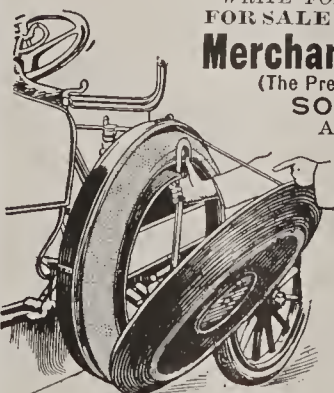
"The conditions which will prevail in case you are organizing a mining corporation will be relatively identical, the difference being only in the fact that the expenditure will be along other lines than those which we have enumerated. For instance, substitute for raw materials, etc., the cost of sinking shafts, tunnels and those various other items of development work with which you, gentlemen, are vastly more familiar than I am. At this stage of your corporate existence this capital must ordinarily be provided by the sale of stock, as, not being an established, going concern, your borrowing powers are limited. After the concern has been under way for a time sufficient to demonstrate the success of the enterprise and the efficiency of its management it is then properly in a position to ask credit accommodations of its banker. As the enterprise develops after it has become what is known technically as a seasoned proposition, showing good profits as a result of operation and competent administrative ability at its head, the outlook may be such as to warrant a considerable expansion, and under the circumstances outlined the money for such expansion is frequently obtained, not by the sale of stock, but by a bond issue secured by the property. The advantage in this mode of financing being that the stockholders are thus able to retain for themselves the increasing profits of the business by paying a fixed rate of interest on such funds as are obtained by the mortgage securing the bond issue, these funds being paid back either by all of the bonds maturing at one fixed date, or serially from time to time, in either case with interest during the period which they are outstanding. In borrowing money in this manner you will have to satisfy whoever purchases your bonds that the concern is engaged in a profitable business; that the outlook for the continuation of its prosperity is excellent; that it is ably managed, and that values represented in its tangible property are ample security for the obligation created by the bond issue."

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Wheat Unsettled

Wheat prices showed substantial gains Wednesday, the undertone of the market being strong during the greater part of the session. Local traders who sold the day before were on the buying side, covering shorts. Commission houses absorbed the offerings on the break. Liverpool was relatively firm, while the news from the Southwest was inclined to make the shorts nervous. Prices for the day were $\frac{3}{8}$ to $\frac{1}{2}$ cents to $\frac{3}{4}$ to $\frac{7}{8}$ cents up.

There was no pressure to sell wheat, the effect of the rains in the spring wheat country being offset by the reports of hot weather in the Southwest. In Oklahoma and Western Kansas the crop is still badly in need of more moisture, giving the reports of high temperature an unusually bullish complexion. Trade in May was without special feature.

Rains were quite general in the Northwest and Canada, according to private reports. All the stations shown on the weather map did not indicate the precipitation was general south of the Canadian line. Predictions, however, were for unsettled conditions, with general rains and lower temperatures. This did not cause much selling, as the crowd had all sold on the rains the previous day. The hot weather southwest was regarded as more important.

May wheat has ranged from 93 to 95 cents and July 86 to 88.

Sentiment in corn is a good deal mixed. Many traders are looking for big receipts, and some of the commission houses are advising the selling of long corn. The slow cash demand has had a good deal to do with changing sentiment recently. It was noticed that there was good buying again by the recent bull leaders, however, and Cudahy brokers were again credited with buying considerable corn.

May stands at $53\frac{1}{2}$ and July 52.

MISSOURI BANK DEPOSITS

Deposits in Missouri banks have increased \$16,000,000 during the last year, according to State Bank Commissioner John E. Swanger, who was just made public the compilation of the financial statement of the banks and trust companies of the state under the call of March 7th. "The financial condition of the banks and trust companies of Missouri, as shown on March 7th of this year, reveals a decided improvement over that of January 31, 1910," said

Mr. Swanger, "and a decided increase in most items is shown by the statement of November, 1910." The increases shown in 1910 are classified as follows: Loans and discounts, \$10,145,975; cash and exchange, \$14,604,595; capital, \$2,040,864; surplus and undivided profits, \$2,001,604; deposits, \$15,218,090; bills payable and discounts \$1,907,763. The statement of March 7, 1911, as compared with that of November 10, 1910, shows there was an increase in the loans and discounts of \$2,167,441; cash and exchange, \$15,672,645; capital, \$724,698, while deposits increased \$16,131,542.

"The statement is very satisfactory," said Mr. Swanger, "for the reason that it shows that Missouri banks and trust companies are still steadily growing, not only in strength, but in volume of business. An increase in deposits of \$15,000,000 over that of a year ago, and \$16,000,000 over that of November 10, 1910, indicates that they are keeping pace with the general growth and development of the state. The increases are spread over country and city institutions proportionately. Bankers of Missouri may be well satisfied with the showing made during the last few years."

Rogues' Gallery

What is believed to be the first rogues' gallery in the country to be kept by a state banking department, has been started in Topeka, Kan., by State Bank Commissioner J. N. Dolley. It is for bank robbers only and Mr. Dolley has the promise of assistance of detective agencies, police departments and thief-catching organizations generally in making his gallery complete and valuable. In specializing on yeggmen, Mr. Dolley wants pictures and descriptions of bank and postoffice robbers and other high class criminals from police and prison officials of surrounding states.

Speaking of the new department Mr. Dolley said: "Banks are not robbed in the summer time and I will have all summer to get ready for the bunch when it starts in to work next fall. It is a peculiar but easily explained fact that robbers let the banks alone in the summer. They scout around and lay their plans for winter but do not do any real robbing. The reason is that in the summer time the people sleep with windows open, out of doors, upon porches and even on the streets some places.

The first man to get his picture and description in Mr. Dolley's gallery of undesirables is Henry Bower, who pleaded guilty to the murder of Deputy Sheriff Fowler at Hutchinson, Kan., last fall. Bower is said to be a bank and postoffice thief. Fowler had arrested Bower when the latter turned and shot him down. Bower was convicted of first degree murder and is now in the state penitentiary for life.

PREMIUM ON GRAIN BONDS

Ward county bonds in North Dakota, to provide seed grain for farmers, were sold at auction to the Second National of Minot at \$801 premium for \$50,000. T. L. Beiseker, Fessenden, N. D., bid \$795 and the Wells and Dickey Company of Minneapolis \$500. The bonds run two years at 7 per cent.

A study of the distribution of the exports of manufactures shows that in some instances the growth was confined to a few countries only, while in other cases it extended to practically every section of the commercial world.

The Commercial Bank of Checotah, Okla., has increased its capital from \$25,000 to \$50,000. The directors are A. O. Johnson, W. T. Miller and H. L. Woods, all of Checotah.

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or interest on any bond
we have sold.

Philadelphia

A number of the national banks declared their May dividends last week and some institutions made substantial additions to their surplus account. Besides paying the usual semi-annual distributions increases in surplus were made by various banks, as follows: Second National Bank, \$50,000; Corn Exchange National Bank, \$50,000; Commonwealth Title & Trust Company, \$150,000. The surplus of these banks is now: Second National Bank, \$500,000; Corn Exchange National Bank, \$1,500,000; Commonwealth Title & Trust Company, \$1,250,000. The Fidelity Trust Company increased its dividend rate from 8 per cent to 9 per cent quarterly. Besides the bank dividends, corporation disbursements to stockholders in this city include those of the Lehigh Coal & Navigation Company, Cambria Steel Company, Pennsylvania Steel preferred and Reading second preferred.

April bank clearings in this city were \$621,700,185 which, with the exception of that month a year ago, when they were \$621,700,186, were the largest in May in the last four years. The April clearings in 1909 were \$582,045,428, and in 1908 \$486,963,351. In the current year, however, the turnover was larger in January and March than in April, which was not so in some other years.

Money continues to accumulate in the banks, which shows the wisdom of the recent reduction in rates. The reserve increased again last week, the amount being \$2,848,000, which makes the surplus greater than in any recent year, at this season, with exception of 1908, the year following panic period. The demand for funds and accommodation from mercantile and other sources is restricted. The average reserve of the banks is close to 30 per cent. One bank reported less than 25 per cent.

Philadelphia banks and trust companies on May 1st held \$2,524,465 of the total \$8,950,654 general fund of the state treasury deposited in Pennsylvania banking institutions. Of the \$2,438,317 sinking funds, Philadelphia banks and trust companies held \$252,318.

William A. Law, vice-president of First National Bank, and Roland L. Taylor, president of Philadelphia Trust Company, attended the meeting of the Executive Council of American Bankers Association, at Nashville.

William F. Harrity, a director of Equitable Trust Company, is enjoying a brief stay at Virginia Hot Springs.

Leslie M. Shaw, president of First Mortgage Guarantee & Trust Company, who recently returned from Spokane, remarked that politics seemed to be taking precedence over business considerations.

Girard Trust Company recently sold at 923, an advance from 910, the previous public sale price.

Directors of the Commonwealth Title, Insurance & Trust Company have declared a

regular semiannual dividend of 6 per cent, and have added \$150,000 to surplus, making that fund \$1,250,000.

AMERICAN NATIONAL OF PENSACOLA

Among the growing southern banks the American National of Pensacola (Fla.) is entitled to attention. It was organized in the latter part of 1900 and already occupies the very best building on the very best corner in its city. The bank occupies the ground floor of a ten story bank and office building fitted up and equipped in the most modern style. Chas. W. Lamar is the president and occupies a



M. E. CLARK
Vice-President and Cashier American National of Pensacola

handsome office just inside the main entrance where he is prepared to greet cordially the friends and customers of the bank. The office of Milton E. Clark, vice-president and cashier, is equally prominent and practically open to the public. He has a private room adjoining with every modern utility. The counters and grills are of marble and there is a capacious vault room and a safe deposit department. The capital of the American National is \$300,000 with a surplus of close to \$150,000. The deposits are over one million and a half, showing that in the ten years of its existence the bank has made rapid and substantial progress.

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Pittsburgh

The debating team of the Scranton Chapter American Institute of Banking, defeated Philadelphia Chapter team in a debate on "Conservation." The victory makes the Scranton men eligible to compete with Pittsburgh Chapter team for a silver cup offered by Pennsylvania Bankers Association to the victors in a series of debates that have been arranged.

Members of Pittsburgh Chapter American Institute of Banking gave a thoroughly enjoyable and high-class minstrel performance, which crowded the house to the door. The local hits were many and excellent.

At a meeting of the stockholders of the Manufacturers' Bank, of the South Side, the following directors were elected: Edward Hogan, A. H. Heisey, P. M. Pfeil, William E. Sankey, George Diehl, Daniel P. Berg and Thomas N. Stevenson.

Pittsburgh Trust Company paid the regular quarterly dividend of 3 per cent May 1st.

Second National of Pittsburgh paid the regular quarterly dividend of 2½ per cent May 1st.

Directors of Peoples' Trust Company declared a dividend of 1½ per cent, payable May 10th.

The local stock market remained comparatively dull the last week and yet displayed a steady to firm undertone. One of the most prominent movements was in Westinghouse Air Brake, which advanced to 149¼, the highest point in two years.

The bond house of E. W. Clark Company, Philadelphia, has taken over the business of Redmond & Company in Philadelphia and the Pittsburgh district, and will be represented in Pittsburgh by John D. Liggett, who has been the representative here of Redmond & Company and who will retain his offices in the Union Bank building. George W. Kendrick, who was the Philadelphia representative of Redmond & Company becomes a member of the E. W. Clark Company.

CENTRAL NATIONAL OF ST. PETERSBURG

Among the most active of the Florida banks should be mentioned the Central Bank of St. Petersburg. Its list of directors embraces the prominent names of the city and the bank shows resources of nearly one million dollars. It maintains a handsome safety deposit vault with boxes for rent, and does a fine business in foreign exchange and travelers' checks. Its statement of condition of March 7, 1911, shows that its affairs are conducted in a skillful and scientific way.

Preparatory to a general reorganization of the All Night and Day Bank of Kansas City, C. A. Bonds, has resigned the presidency and H. W. Richardson, president of the American Union Trust Company, has gone on the board of directors. It is said that new capital is to be put into the institution and new policies adopted. A new president will be elected within a few days.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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Pacific Northwest Banking News

Spokane, May 9.—“There is every indication that the increase in the value of agricultural lands in the state will establish another record,” said Edwin T. Coman, president of the Exchange National Bank and head of the Spokane Chamber of Commerce, on receiving the United States census bureau's preliminary report on Washington's farm statistics, which places the total value of farm lands and buildings at \$570,142,000 in 1910, as against \$115,610,000 in 1900, an increase of \$454,532,000, or 393 per cent. The report shows that the value of farm lands alone increased from \$99,311,000 to \$513,918,000, or 419 per cent during the same period.

Fails at Forgery Game

Believing he is smarter than some of the check forgers in state prisons, James Killgallen, 19 years of age, tried to put one over at the Old National Bank of Spokane, a few days ago. W. D. Vincent, cashier, saw the trick and before the youth could get away he was in the toils and held in bonds pending trial. “The game appeared to be easy,” he said, “and I thought I could beat it, but I guess I'm not half as clever as I made myself believe I was. The result is I was caught with the first one.”

Leo Cramer, head of the Idaho State Bank at Hailey, Idaho, which failed last fall, was found guilty at Boise of the charge of accepting deposits when he knew the bank was insolvent, and was sentenced to an indeterminate term of from six months to two years in the state penitentiary. The court refused to impose a fine, other than the costs of the trial.

General Financial News

Thomas H. Brewer, president of the Fidelity National Bank; W. D. Vincent, cashier of the Old National Bank, and Charles A. McLean, cashier of the Traders' National Bank, have been appointed to formulate plans for the organization of an eastern branch of the Washington State Bankers Association, which will have its headquarters in Spokane.

Charles A. McLean, cashier of the Traders' National Bank, was the principal speaker at the last meeting of Spokane Chapter of the American Institute of Banking. He discussed the work of the Washington State Bankers Association.

W. B. Hawkins, president of the Bonners Ferry Bank at Bonners Ferry, Idaho, has been appointed a member of the commission of the first drainage district in northern Idaho, organized by land owners in the Kootenai valley. The other commissioners are: Charles G. Reeder of Spokane, and Professor Elliott of Moscow, Idaho. Several thousand acres of land will be reclaimed.

D. A. Holland, manager of the Security Trust Company of Spokane, has received a certificate from Fred E. Farnsworth, general secretary of the American Bankers Association, New York, admitting the company to membership.

J. P. Morgan and Company have purchased \$3,000,000 Atlantic Coast Line bonds.

HIGH PRICE FOR BONDS

The establishment of a new high price for New York City 4¼ per cent bonds was an incident in the Wednesday bond trading on the stock exchange. At the moment bonds of the highest grade are in relatively better demand than bonds in the intermediate class, which lately enjoyed much greater activity than has been displayed during the last few days. An interesting feature of current transactions in short term investments is the fact that the New York market has been buying back from Europe blocks of various corporation note issues which were placed on the other side during the last few months. The explanation lies in the fact that the present extreme ease in our money market supplies the market for these short term investments better than that which can be commanded in Europe.

J. H. McELDOWNEY DEAD

J. H. McEldowney, vice-president of National City Bank, New York, died, Sunday, at Ospedaletti, Italian Riviera, of valvular heart trouble. He formerly lived in Chicago and followed the vocation of editor.

Seattle

M. F. Backus, president of National Bank of Commerce, has resigned as a regent of the University of Washington. At the time of Mr. Backus' appointment by Gov. Hay, during the recent session of the legislature, a fight was waged on his confirmation on the grounds that he was a stockholder and bondholder in a corporation which is improving a ten-acre state-owned tract in the heart of the city.

J. A. Hall, vice-president of First National has just returned from a five weeks' trip in Europe. Mr. Hall stated on his return that he noticed a very strong sentiment in London favoring investments in Western Canada. He stated that large sums of English money have been sent to Canada for investment in farm lands.

While the supply of cash in Seattle banks is large and reserves are just about as high as they ever were, interest rates are firm, averaging about 6½ per cent for all kinds of loans. Most choice loans to regular customers are made on the basis of 6 per cent, while smaller loans have been made during the past two weeks as high as 8 per cent.

The fact that rates have not responded to the large supply of available money is attributed by bankers to the fact that Seattle banks will be called upon shortly to furnish large sums of money to finance the fish and fruit output of the state. Bankers declare the demand for money from country banks will be unusually strong during the coming summer and fall and that they cannot let their reserves run down at this time.

At a meeting of the Northwestern Commercial Company the sale of the Northwestern Fisheries Company to the Booth Fisheries Company was ratified. Six acres of land in this harbor were transferred to the Alaska Steamship Company, which announces that it will build wharves, docks and coal bunkers on the land. Steps were taken for the dissolution of the Northwestern Commercial Company, which was formerly a holding company for the Guggenheim-Morgan syndicate.

EASTERN BANK'S ENTERPRISE

The Lowell Trust Company of Lowell, Mass., celebrated its twentieth anniversary by installing a twenty-five horse power, burglar-proof automobile for carrying money to and from the bank for the accommodation of the various business houses and corporations of the city and suburbs of Lowell.

DEMAND FOR SUBWAY BONDS

A considerable demand has sprung up in New York for Chicago Subway bonds. The issue is traded in on the curb. The private interests in the company now look hopefully to the telephone end of the enterprise to pull them out of their losses. The telephone branch of the business is being “boomed.”



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

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T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
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FRANK G. NELSON, Vice-President	LEON L. LOEHR, Sec'y and Trust Officer
JOHN E. BLUNT, Jr., Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dept.
J. G. ORCHARD, Cashier	H. G. P. DEANS, Mgr. Foreign Dept.

DIRECTORS

ENOS M. BARTON, Chairman, Board of Directors, Western Electric Company	THIES J. LEFENS, Capitalist
CLARENCE A. BURLEY, Attorney and Capitalist	CYRUS H. McCORMICK, President, International Harvester Company
E. H. GARY, Chairman, Board of Directors of the United States Steel Corporation	JOHN S. RUNNELS, Vice-President, Pullman Company
WILLIAM A. GARDNER, President, Chicago and Northwestern Railway Company	EDWARD L. RYERSON, Chairman, Board of Directors, Joseph T. Ryerson and Son
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Los Angeles

H. K. Scott was elected cashier of Oil & Metals Bank & Trust Company to succeed L. D. Williams, who remains as secretary, but has been placed in charge of the branch bank at Taft.

Bankers of Los Angeles have been informed by the city attorney, that they will not be required in the future to bear any part of the municipal bonded debt or interest. He holds that the provisions of constitutional amendment No. 1, which provides a new system of revenue and taxation, specifically eliminates all banks from such assessment.

The decision affects only state and savings banks, as national banks have been exempt, except for personal property. It is roughly estimated that this will take approximately \$20,000,000 in assessable value off the tax rolls for interest and sinking fund. The interest and sinking fund rate was 58 cents last year, but will be higher this year. Based on last year's rate, the amount lost to the city would be about \$116,000.

The German-American Savings Bank has just published a circular called "The Men and Their Records," which contains a portrait and short biography of each of the bank's officers.

GILLETT ON BANKING LAWS

At the weekly luncheon of the Commonwealth Club, San Francisco, ex-Gov. Jas. N. Gillett said: "If the present state banking law were properly enforced it would be impossible to loot a bank. The panic of 1907 caused an investigation into the banking laws of our state. It was found that there were few laws on this subject and that the banking of our

state was permitted to go along about as it pleased. A commission was appointed composed of members of the senate and assembly to make an inquiry into the banking business. The bankers appointed a committee to work with this committee. The result was the present banking act, which has been declared by bankers throughout the United States to be one of the safest and best of state banking laws. All that is necessary to stop the looting of banks is properly to enforce this law."

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99 DAYS, \$1006.00**

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59 DAYS \$619.15. 47 DAYS \$527.65**

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San Francisco

George N. O'Brien, cashier of American National of this city, was elected vice-president of the institution at a recent meeting of the directors. E. J. Broberg, heretofore assistant cashier, was elected cashier to succeed Mr. O'Brien.

At a recent meeting of the directors of Seaboard National, A. S. Carman was elected vice-president to succeed H. E. Powell; H. A. Eastabrook was elected cashier. It has been decided to increase the capital stock from \$250,000 to \$500,000.

The directors of the Panama-California Exposition, which is to be held in San Diego during 1915, have just selected J. A. Blochman, a banker of that city, as a member of the committee on exhibits. He began his financial work in the Commercial Bank of San Luis Obispo in California and then he became cashier of the Blochman Banking Company. During his career Mr. Blochman has held different positions with the California Bankers Association and was a member of the legislative committee which helped to draft the present banking law of California.

TOLEDO BANKER IN CHICAGO

R. B. Crane, a representative banker of Toledo, was a caller at National City Bank Monday. Mr. Crane is vice-president of National Bank of Commerce.

M. D. THATCHER IN TOWN

President M. D. Thatcher of Pueblo First National, one of the most influential bankers in Colorado, was a guest of David R. Forgan Tuesday.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

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Excellent Collection Facilities

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Capital - \$300,000.00
Surplus - 235,000.00

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The Cedar Rapids National Bank

Cedar Rapids, Iowa

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GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

DEERE & COMPANY ISSUE BONDS

It is announced that White, Weld & Company, of New York and Chicago, have purchased from Deere & Company of Moline, Ill., the manufacturers of farming implements, an issue of \$5,000,000 five per cent serial gold notes, due in from one to five years.

PREDICTS LOWER PRICES

Patrick Cudahy says everything on the provision list is going lower because too many fat hogs are coming. He expects the hog supply to increase throughout the summer months.

Des Moines, May 12.—The address of former Comptroller Charles G. Dawes of Chicago on the Aldrich plan was the feature of the meeting of Group Six in Des Moines, Friday night. Mr. Dawes commended the Aldrich plan in highest terms. He declared that it will give to the business interests all the advantages of the central bank without the disadvantages. The address was given closest attention and attracted much favorable comment.

More than 225 bankers attended the group meeting. There was no session in the afternoon although the visiting bankers were guests at a theatre party given by the Des Moines Bankers Club.

In the evening the banquet at the Savery began shortly after six o'clock. Following the banquet, a short business meeting was held and Mr. Dawes was introduced as the speaker of the evening. There were no other speakers. It was expected that S. M. Leach would be endorsed for president of the Iowa Bankers Association, as this action was taken by the group last year. However no endorsement of anyone was given this year.

A. E. Hindorf of Newton, formerly secretary of the group, was chosen president to succeed John W. Foster of Guthrie Center who refused to be a candidate for another term. S. J. Pooley of Grinnell was elected secretary. Secretary Hindorf in his report stated that there are 254 banks in the group and that 219 of them are members. Of these there are 85 savings banks, 44 nationals, 34 state, 52 private, 4 trust companies.

Other Chicago bankers who were present were William A. Tilden, A. Erlaud, Rufus C. Dawes and Francis McMillen. A. J. Earling, president of the Milwaukee railroad was also a guest of honor.

Mr. Dawes and the Des Moines Bankers Club were given votes of thanks.

Early in the day, bankers as they registered were asked to vote on the Aldrich plan. The votes showed that the Aldrich plan would win two to one but as the voting progressed, so much confusion arose that it was impossible to make an accurate determination of final results.

Group Nine in Session

Group Nine had a decidedly interesting session at Osceola, Tuesday, May 2d. The meetings were held in the K. of P. rooms with Grant McPherrin of Clearfield, chairman of the group, in charge. The address of welcome was given by Mayor Carl Dare. Chairman McPherrin accepted the city's hospitality on behalf of the visiting bankers. Henry Wallace of Des Moines, president of the National Conservation Congress, spoke on the policy of conservation and what it means to Iowa and the nation. W. T. Fenton, vice-president of the National Bank of the Republic of Chicago, was next on the program. Then came James G. Berryhill of Des Moines who spoke on, "Recent Legislation Regarding Taxation of the Banks of Iowa." This was instructive and of much value to the bankers in attendance. At 5:30 dinner was served by the Ladies' Aid Society of the Methodist church in the parlors of the church. It was a real banquet and was much enjoyed. Toasts were responded to by C. A. Barr, C. T. Cole, Jr., L. E. Crist, W. A. Hopkins and others. A smoker and musical program at K. of P. Hall concluded one of the most enjoyable sessions ever held by the bankers of the group. Bert Teal of Mt. Ayr was

elected new chairman and N. C. Hoffman of Murray was re-elected secretary.

Group Eight of Davenport

The bankers of Group Eight met at Davenport Thursday. There was a good attendance and the meeting was enthusiastic. Chairman G. E. Bartholomew called the bankers together at 2 o'clock in the Commercial Club rooms. Following the address of welcome and the usual reports there was an address by John L. Bleakly, state auditor. Mr. Bleakly is always interesting. Representative Ernest R. Moore of Cedar Rapids spoke on the bank legislation passed by the last general assembly. There was an interesting discussion of bank consolidation led by H. F. Giessler of Muscatine and H. W. Flenniken of Olin. Chairman D. H. McKee, vice-president of the German Savings of Davenport, presented the resolutions which report was followed by a general discussion, election of officers and an automobile ride. The banquet was given at 6:30. The Davenport clearing house tendered the automobile ride and the banquet.

Group Three, May 16th

The program for the meeting of Group Three at Charles City, May 16th, has been received by Secretary Hall of the Iowa Bankers Association. The automobile ride precedes the program, which will be given at the K. of P. hall. The election of officers will occur at 5 o'clock. At 6 o'clock the banquet will be given at the Ellis Auditorium. The Charles City bankers and their ladies will be hosts. Arrangements have been made to entertain the visiting ladies at the home of Mrs. A. E. Ellis. They will also join the gentlemen in the auto drive.

Flaw in Taxation Act

Governor Carroll's attention has been called to what may be a fatal flaw in the new law placing a five mill flat rate on moneys and credits and providing a new basis for the taxation of banks. A Des Moines attorney told the governor that the constitution provides that laws imposing taxes must be specific and state definitely what the tax is for. Also that it must contain a complete text of the law which it replaces. It is understood that Attorney-General Cosson has given an informal opinion to the effect that the objections are ungrounded. Doubtless a test case will be necessary to settle the point.

Contest for Presidency

It looks as if there will be a couple of lively contests for president and treasurer of the Iowa Bankers Association at the Mason City meeting. S. M. Leach of Adel, who was endorsed by Group Six for president last year but who was defeated by John McHugh of Sioux City, is understood to be a candidate again this year. E. J. Curtin of Decorah will probably nurse the boomlet started for him at Elkader a few days ago. No other candidates are mentioned as yet. W. G. C. Bagley of Mason City is in the race for treasurer as is also L. C. Gates of Ladora. There will be no opposition to P. W. Hall as permanent secretary.

Banker for Governor

Quite a little political speculation has been indulged in concerning the intentions of E. R. Moore of Cedar Rapids who is credited with having an ambition to be governor of Iowa. Mr. Moore is a well known Cedar Rapids banker who has for some time been a member

The Central National Bank

SAINT PETERSBURG, FLORIDA

Capital and Surplus \$75,000.00

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A. F. THOMASSON, Cashier C. M. GRAY, Jr., Asst. Cashier

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Invites active or reserve accounts
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and Georgia upon liberal terms

Capital - - \$500,000.00
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of the Iowa house of representatives. It is stated that he will be a candidate for governor at the gubernatorial primaries next summer although he has made no announcement to that effect. State Senator W. C. Stuckslager of Lisbon, also a banker, has been persistently mentioned as a gubernatorial possibility.

Miscellaneous Notes

Sears McHenry, cashier of the First National at Denison is original to say the least. Mr. McHenry has taken the contract to keep the streets of Denison sprinkled for \$24 per week. It all came about because the city council declared that the streets could not be kept sprinkled for that amount. The Commercial Club declared that they could. Accordingly Mr. McHenry accepted the contract. Early reports were that he had already received numerous applications to sublet the job.

Another report has been made on the postal savings bank at Decorah. The institution has been going now for three months and the bank has on deposit just \$722. The number of depositors is 19 and the average amount deposited by each is \$38. Boosters for the establishment of the bank are disappointed and bankers are saying, "I told you so," with considerable eclat.

Two checks, said to break the Des Moines record in point of size were cashed last week. The Central State cashed one for \$335,000 drawn by the Bankers Life Insurance Company. The German Savings cashed one for \$218,107 drawn by the Investors Securities Company in exchange for school bonds recently sold to that company.

A sad double death occurred at DeWitt, when President J. Alex Smith of the DeWitt Savings was bereft of his mother, Mrs. Mary Smith and his only daughter, Mrs. Charles Arthur in less than an hour. Mrs. Arthur was the wife of one of the directors in the bank.

Raymond Sleeper of Sheldon, son of W. H. Sleeper, a Sheldon banker, was married last week at Fort Dodge to Miss Julia Armstrong. The bride's father presented the young couple with a 320 acre farm valued at \$50,000 as a wedding gift.

H. P. Dowling of Grand Island, Nebraska, has purchased an interest in the Shelby County State at Harlan and became identified with that institution May first.

The Kossuth County Savings at Algona an-

nounces a new \$12,000 bank building to be constructed this summer.

G. D. Ellyson, president of the Commercial Savings, Des Moines, is gradually recovering from a severe illness of many weeks. He is in the Ozarks.

ST. PAUL AND PUGET SOUND

The heaviness of St. Paul this week is ascribed to a plan to issue \$25,000,000 additional of 4 per cent Puget Sound bonds. On June 30th, last, there were outstanding \$123,000,000 of these bonds, all of which were in the treasury of the St. Paul. Since then the outstanding amount has been increased to more than \$130,000,000, and the St. Paul has sold \$25,000,000 out of its treasury.

The St. Paul owns the entire \$100,000,000 capital stock of the Puget Sound, on which a dividend of 2 per cent was paid a few months ago.

BANKERS INDORSE POSTAL PLAN

A request has been sent to Washington by the Stockton (Cal.) Clearing House Association endorsing the postal savings banks and asking that such an institution be established there with a view of keeping much of the money that is being sent to foreign lands in the United States.

BROKERAGE FIRM FAILS

Philadelphia, May 10.—Jamison Brothers and Company, bankers and brokers, announced their insolvency on the local stock exchange to-day and later filed a voluntary petition in bankruptcy. They say their liabilities are \$541,396 and assets \$385,776.

NEW STATE BANK

Greenbaum Bros., private bankers, of Chicago, plan to incorporate as a state bank, with a capital of \$1,500,000. Julius Rosenwald, president of Sears, Roebuck and Company, will be one of the largest stockholders.

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CHICAGO

TELLER STEALS LARGE SUM

Cleveland, O., May 10.—Julius W. Hopkins paying teller of the First National Bank, was arrested to-day. He is said to have confessed to peculations amounting to \$115,000 during the last eight years. A warrant issued by United States District Attorney Day specifically charged him with the theft of \$60,000.

When arraigned before United States Commissioner Walther, Hopkins waived a preliminary hearing and was bound over to await action by the grand jury. Bond was fixed at \$60,000.

Hopkins was unable to give bail and was taken to jail. It is asserted that he claimed to have lost the money in unsuccessful business deals.

Charles E. Farnsworth, cashier of the First National Bank, made the following statement:

"One of our trusted employees, Julius W. Hopkins, is a defaulter in the sum of \$114,850, which amount he has abstracted from express packages containing currency sent us by the national banking department at Washington.

"The bank is fully protected by a blanket guaranty policy issued by London Lloyds, so that the loss will not fall upon the bank."

FOREIGN BANKER HERE

Robert E. Lang, manager of Credito Italiano, Milan, was a visitor at First National, Chicago, last week.

Mr. Lang is an experienced and successful banker and talks entertainingly of America's foreign interests. He says there is an unlimited amount of capital in Europe awaiting investment in the United States. The rates on American securities usually are tempting to foreign capitalists. There is growing confidence in the stability of our industrial affairs. He advises the cultivation of closer relations with all leading countries of the old world.

SPRINGFIELD BANKER HERE

George E. Keys of Farmers' National, Springfield, Ill., was a caller at Fort Dearborn National last Saturday. Mr. Keys not only represents a strong bank but belongs to one of the most prominent banking families in the state.

GOGEBIC BANKER IN CITY

Cashier M. W. Mattechek of Gogebic National Bank, Gogebic, Mich., was a visitor at Continental-Commercial National Wednesday.

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MILWAUKEE WISCONSIN

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NOW READY

American Railways as Investments

By CARL SNYDER

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Their capitalization, condition, recent improvements, resources, future, range of market prices, yield to the investor, etc.

This is a work designed for the Investment Banker and Broker and more especially still, for the general investor himself. It is practical, not theoretical, and presents a comparative and historical analysis of nearly 100 of the important railway companies of America.

Price, \$3.20 net; by mail, \$3.52

THE CHICAGO BANKER

MONADNOCK BLOCK

CHICAGO

Money, Banking and Finance from Chicago Viewpoint

A broader and more active money market seems to be assured. While there is no material change in rates of interest as quoted on commercial paper it is apparent that bank funds are finding employment at better figures than have prevailed since December.

That there is less pressure of idle money on the loan market than formerly is indicated by the bringing in of a million dollars of foreign capital, which is placed in a Chicago real estate project at 5 per cent. Another indication is that real estate loans are being made on a somewhat higher basis than earlier in the season. Transactions are reported at 6 to 6½ per cent in many cases, while a month ago the majority of loans were around 5 per cent.

Interior banks have begun to let their wants be known and are shaping up an extensive program for the season. Chicago bankers have helped the situation also by going out into the bond market, placing a number of millions of spare capital in carefully selected municipal and railroad securities.

Banker Tells of Improvement

"A new feature in the financial situation is a broadening demand from interior bankers for funds with which to take care of agricultural operations," said Vice-President August Blum of First National, Chicago, the fore part of the week.

"Rates are not quotably higher but the manifest tendency is upward. There is a clear improvement in the general trade situation, as shown by mercantile loans, but the most notable thing is the call of interior bankers for assistance in financing an extensive farming program. This call seems to embrace the whole West and South. It shows that agriculture is flourishing and that the country is confident.

"It would seem to be logical to look for greater activity in all lines of industry now that the farming element has opened the season in such a hopeful and enterprising way."

Local Real Estate Business

In connection with the local real estate business it transpires that Louis M. Stumer, Benjamin J. Rosenthal and Louis Eckstein have obtained a loan of \$1,000,000 from the Scottish Provident Institution of Edinburgh, Scotland, through Emerson B. Tuttle, representing

Northcote and Company, and in co-operation with Aldis and Company. Security is the ground leasehold interest and the structure to be known as the North American Building, to be erected at the northwest corner of State and Monroe streets. The loan extends twenty-one years and bears interest at 5 per cent.

The Universal Trading and Supply Company of Maine has given a trust deed to the Chicago Title and Trust Company as trustee for \$30,000, for five years at 6½ per cent, secured by the property on Thirty-fifth Street at the southwest corner of Morgan Street, north frontage, 160 by 316 feet.

In another instance, which is quite exceptional since the first of May, a loan of \$150,000 on Chicago property is continued at 5 per cent. This is the case of the "Kenwood," the big family hotel and apartment building on Forty-seventh Street and Kenwood Avenue, which has figured in several transactions during the past year. It was sold by George W. Stewart of the Stewart Realty Company, for Richard A. Morley of Chicago, to James E. Powell of Edmonton, Canada, and Frank H. Lane of Columbus, Ohio, the deal involving in all about \$500,000. The property was sold a year and a half ago by James B. Drake of New York.

Iron Trade is the Barometer

All eyes are viewing the iron trade, the belief being that this is something of a business barometer. A number of producers seem to be of the opinion that the next turn in the situation will be for the better. There has been considerable talk during the past fortnight of a probable readjustment of prices, which is explained by undercutting among the smaller independent manufacturers.

So far as the United States Steel Corporation is concerned it is pointed out that during the past week or two there has been an improvement in orders received. On several occasions business reached the top notch level of March,

averaging 50,000 tons a day. Buying on the part of the railroads has shown an improvement of late, which is regarded by some manufacturers as indicative of a more active demand from this quarter later on. It is estimated that the unfilled tonnage of the United States Steel Corporation in April fell off between 150,000 and 175,000 tons.

Mercantile Business is Fair

Repeat orders on men's wear for fall delivery are being received by a few mills in a way that would indicate that clothiers were doing a very encouraging amount of business, but it is notable that the demand for additional supplies of heavyweight materials is on goods that have been styled well and which were placed on an attractive trading basis at the opening of the season. While the reordering of overcoatings is not as good generally as was the case a week or two ago, nevertheless there are selling agents here and there who are still obtaining an encouraging amount of business on fancies and staples.

Many Western houses are taking advantage of the present condition of trade to improve their facilities. The J. V. Farwell Company, Chicago, are renovating the departments used for wash goods; the Haven and Geddes Company, Indianapolis, will move into new quarters; Hibben, Hollweg and Company, of the same city, plan a new building for their trade. Ely-Walker Dry Goods Company, St. Louis, are making many minor improvements, and several other houses are making changes that mean larger facilities.

W. R. Fleming, president of the People's Savings at Mason City, has been chosen president of the new Farmers Savings at Barnard recently organized with a capital stock of \$25,000. Mr. Fleming is also president of the Farmers Savings at Manley.

Woodin, McNear and Moore of Chicago were successful bidders for bonds of \$275,000 issued by the city of Ottumwa for purchase of its waterworks and improvement thereof.

The Harris Trust and Savings of Chicago purchased \$50,000 in school bonds issued by the school board at Cedar Rapids.

L. MANASSE

88 MADISON ST.
Tribune Bldg.



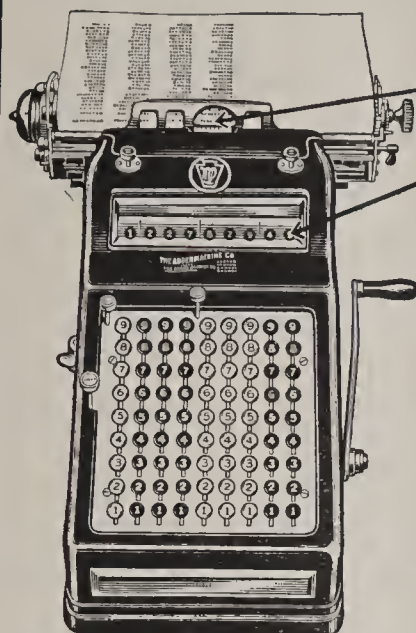
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It is the only machine that is perfectly visible at every operation, showing totals and printing, in the same field of vision.

A glance gives you the number as it prints and the total up to that point. In construction the WALES is superior to all others.

5-Year Guarantee

The WALES is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee when the WALES gives you five times more protection? Ask about our 30-day free trial. Mail the coupon for descriptive literature.

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

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Can handle your New Jersey business to advantage, and will be glad to receive correspondence looking to reciprocal relations.

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F. B. ADAMS, Vice-President

GEO. F. REEVE, Vice-President

BENJAMIN ATHA, Vice-President

A. F. R. MARTIN, Cashier

*"One
paper in the hand is
worth a thousand in the
basket"*

JOIN THE BIG ASSOCIATION

Following is a list of members joining American Bankers Association since last report:

- Alabama—Attalla, The Attalla Bank.
- California—Maricopa, First National Bank.
- Minnesota—South Haven, First State Bank.
- New Jersey—Montclair, Essex Title Guaranty & Trust Co.
- New York—Nunda, Peter DePuy's Banking House.
- Ohio—Forest, First National Bank, Youngstown, City Savings Bank.
- Oregon—Stayton, Farmers & Merchants Bank.
- Texas—El Paso, Union Bank & Trust Co.
- Utah—Castle Dale, Emery County Bank.
- Virginia—Winchester, Farmers & Merchants Nat. Bank.
- Washington—Cashmere, Farmers & Merchants Bank; Grandview, Grandview State Bank.
- Wyoming—South Superior, Miners State Bank.

MISSOURI-KANSAS MEETING

Kansas City bankers are actively at work completing all the details of arrangements for the big convention of Missouri and Kansas bankers May 24th and 25th. On Tuesday R. C. Menefee, treasurer of the Commerce Trust Company, entertained the reservation committee of the local association. This committee has the responsibility of providing accommodations for the 3,000 bankers who are expected to attend. Virgil K. Tuggle, assistant cashier of the New England National Bank, chairman of the committee, outlined the work that had been done and made additional assignments of committeemen. At 3 o'clock of the same day

the general entertainment committee met in the office of Jerome Thralls, manager of the Kansas City Clearing House Association, to arrange final details of the work given it. At both meetings the greater enthusiasm prevailed and the assurances of a splendid joint convention were never brighter.

E. J. Curtin, president of the Citizens Savings at Decorah has a boom for president of the Iowa Bankers Association. At the meeting of Group Four at Elkader, Mr. Curtin was endorsed for the office much to his surprise. The group endorsed W. G. C. Bagley of Mason City for treasurer. The group elected C. A. Larson of New Hampton for chairman and S. A. Schuetz of Lawler secretary. Mr. Larson was secretary during the previous year.

Secretary P. W. Hall of the Iowa Bankers Association is glad clear through over the arrest at St. Paul of W. C. Williams, wanted in a half dozen Iowa towns for bank forgeries. Mr. Hall has been after Williams for many months.

\$450,000.00 Port of Tillamook, Oregon 6% Harbor Improvement Bonds

Notice is hereby given that sealed bids will be received by the Treasurer of the Port of Tillamook, in the City of Tillamook, in the State of Oregon, at his office in said city, until Thursday, June 15, 1911 at 10 o'clock a. m. for the purchase of all or any part of the bonds of the said Port issued by virtue of a resolution of said Port, duly and legally passed April 6, 1911. Said bonds are to be dated July 1, 1911 and run 20 years from their date, interest payable semi-annually, both principal and interest payable in United States gold coin at Tillamook, Oregon or at the office of the Port's fiscal agent in New York City, N. Y. Said bonds are 900 in number and of the denomination of \$500 each and are issued for the purpose of defraying the cost of harbor improvements on Tillamook bar and bay. Said bonds will be sold to the highest bidder for cash and all bids must be accompanied by a certified check equal to 5 per cent of the amount of the bonds bid upon. The right is reserved to reject any and all bids and to re-advertise for bids for the same.

Dated at Tillamook, Oregon, this 10th day of April, 1911.

M. F. Leach, Treasurer, Port of Tillamook

MEN WHO PUT LEBANON ON MAP

W. J. DeVol, President of First National of Lebanon, Ind., also Vice-President of Citizens Trust Company of that city, called on Chicago banking acquaintances last week. In an interview with W. G. Edens, Assistant Secretary of the Central Trust Company of Illinois, Mr. DeVol stated that business conditions were satisfactory in Indiana, Boone county lands selling for prices that indicated confidence in their values and a future prosperity for their locality.

Mr. Edens as a boy lived in Lebanon and recalled the fact that it was Boone county corn which took the first premium or gold medal at the World's Fair in Chicago in 1893. The fortunate exhibitor living near Thorntown in that county thereby gained a world wide advertising benefit, which has resulted in his selling seed corn throughout the entire civilized world where corn is grown and naturally resulting in his substantial financial reward.

DAVID R. HARRISON DEAD

David R. Harrison, banker and coal mine owner of Herrin, Ill., and one of the best known business men of the southwestern part of the state, died Monday. Mr. Harrison was 76 years of age, and death was caused by complications following an operation.

Park improvement bonds of Minneapolis amounting to \$150,000 have been sold to Blake Brothers, Boston, at \$155,325. The city will pay 4 per cent. The premium will be applied on the bond interest which is at 4.25 and spread over a term of years will reduce the rate .21 per cent a year.

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FOR SALE—Miscellaneous

For Sale. At a great sacrifice, beautiful mahogany and marble bank fixtures complete with grills, cages, counters, etc., suitable for a banking room containing about 3500 square feet of floor space. Also a safety deposit vault containing 2514 boxes of various sizes with mahogany coupon rooms, wall desks, etc. For further particulars address F. G. Fisher, 450 Railway Exchange, Chicago, Illinois.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/4 inch Goerz Dagor, Volule shutter. Value \$97.50. Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

FOR SALE—Farm Implements

O Neil Implement Co., La Salle, Ill., have on the market CON-SERVING carriers and EXPANSION spreaders that increase the value of MANURE and save so much time and labor that they are the best paying investment a stock or grain farmer can add to his equipment.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VELEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,
407 Monadnock Block, Chicago.

CHICAGO MEN DOWN STATE

Chicago men who travel for the big banks are daily striking out for the group and state conventions. George Jackson, Chief Clerk of Continental and Commercial National, and W. G. Edens, Assistant Secretary of Central Trust, attended the meeting of Group Six at Charleston this week. Mr. Edens addressed a big Pythian gathering at Benton, the evening of the 9th, besides being on the program for the Charleston meeting. Friday he addressed the members of the Southern Illinois Press Association at Mt. Carmel.

Department of New Business

NORTHWEST

Rochester, Ill.—Rochester State Bank; capital \$25,000. Warren E. Lewis, William G. Brown and James W. Jefferson are organizers.

Newton, Ill.—State Bank of Newton; capital \$50,000. W. D. Miller, J. H. Isley and O. F. Scott are organizers.

Glasford, Ill.—The Farmers State Bank, with a capital of \$25,000, has been organized here.

London Mills, Ill.—The State Bank of London Mills has been organized with a capital of \$40,000.

Hamilton, Mich.—A new private bank by Herman Brower has been organized here.

Vestaburg, Mich.—State Bank of Vestaburg has filed articles of organization with a capital of \$25,000.

Ithaca, Mich.—Peoples State Bank has been incorporated with a capital of \$25,000.

Hudsonville, Mich.—Hudsonville State Bank is a new enterprise.

Three Oaks, Mich.—Bank of Three Oaks is a new enterprise. Hedden & Briggs Co., of Dowagiac, are promoters.

Grand Rapids, Mich.—A new private bank is to be organized here. John Udell will be cashier, J. S. Stearns, C. E. Cartier, J. H. Lyons, N. J. Gaylord, of Ludington, are interested.

Russellville, Ind.—The Russellville State Bank has been organized with a capital of \$25,000.

Ambia, Ind.—Farmers and Merchants Bank has been incorporated with a capital of \$25,000.

Henrietta, Minn.—The First State Bank has been chartered with a capital of \$10,000. P. J. Engberg and others are interested.

Minneapolis, Minn.—Plans are being made by M. T. Billings for the organization of a new bank.

Austinville, Iowa.—Austinville Savings Bank has been chartered with a capital of \$12,500. W. G. Austin is president, R. C. Bode vice-president and S. L. Patterson cashier.

Thayer, Iowa.—Thayer Bank is a new enterprise capitalized at \$10,000. J. A. Parsons is president and B. J. Parsons cashier.

South English, Iowa.—Farmers Savings Bank is the title of a new institution. W. H. Horn is president and J. M. Vankirk cashier.

SOUTH

Little Rock, Ark.—German-American Bank & Trust Co. has been chartered with a capital stock of \$100,000.

Atlanta, Ga.—The Night & Day National Bank is being organized in this city. R. A. Gordon and M. W. Reid, of the American Furniture Co., are said to be interested. The institution will be capitalized at \$100,000. The Equitable Realty Trust Co. has been organized. The Providence Trust & Security Co. has applied for a charter. Capital \$100,000.

Rays Mill, Ga.—The Bank of Rays Mill has been organized with a capital of \$25,000.

Clearwater, Fla.—The Peoples Bank has been organized with a capital of \$36,000. L. B. Skinner is president and J. M. Barco cashier.

Fort Meade, Fla.—The Commercial Bank is a new enterprise. Capital \$15,000. S. H. Brown is president, J. C. Dorrance vice-president and E. W. McCormick cashier.

Bogalusa, La.—The Commercial Bank, with a capital of \$25,000, has been organized here. L. L. Richardson, Jr., will be cashier. H. D. Bickham, of Hackley, and W. W. Babington, of Franklinton, are interested.

Columbia, Tenn.—The Maury County Trust Company has been organized with a capital stock of \$50,000.

Trimble, Tenn.—The Farmers Banking Company has been organized with a capital stock of \$20,000. C. E. Garner, president; B. Herndon, cashier.

WEST

Shawnee, Okla.—National Bank of Commerce of Shawnee, Okla., capital, \$100,000.

Kingston, Okla.—First State Bank of Kingston, has been organized with a capital of \$15,000. J. T. H. Lipscomb, of San Antonio is president; E. H. Colter of Kingston, vice-president, and C. B. Williams of Ardmore, Okla., cashier.

Lawrence, Kan.—The Perkins Loan and Trust Company is the title of a new enterprise. F. M. Perkins is president.

Buckeye, Ariz.—The Buckeye Valley Bank has filed articles of organization with a capital of \$25,000. W. M. Watson is cashier and manager.

Colusa, Cal.—First National Bank of Colusa, capital \$75,000, by H. F. Osgood of Colusa, U. W. Brown, F. Monsen, J. C. Ahlf and R. E. Blevins.

Fillmore, Cal.—C. J. Hall of Pasadena and John B. McNab of Fillmore have made application for a charter for the First National Bank of Fillmore.

Whittier, Cal.—A. J. Waters of Citizens National Bank of Los Angeles, A. Moore and others, have made application to organize the Commercial National Bank of Whittier.

Wakefield, Neb.—Citizens National Bank of Wakefield; capital \$25,000.

Elbe, Neb.—Farmers State Bank is a new enterprise, with the following officers: N. J. Paul, president; N. O. Nelson, vice-president and Mark Holm, cashier.

Lehi, Utah.—State Bank of Lehi has filed articles of organization with a capital of \$25,000. James Chipman is president, Jas. H. Gardner, vice-president and W. S. Chipman, cashier.

EAST

Hartford, Conn.—The Industrial Bank and Trust Co. has been organized with a capital of \$100,000. James W. Knox, Lawrence A. Howard and others are promoters.

New Haven, Conn.—A new bank and trust company is to be organized at this city. Cornelius H. Conway, Thomas I. Kinney, John E. McPartland and Frank Kenna are interested.

Leominster, Mass.—The Leominster Trust Co. has been organized.

Greenwood, Del.—The Greenwood Trust Co. has been organized. C. W. Parker and D. Pennewell are interested.

Tottenville, N. Y.—Fifth Ward National Bank of Tottenville has been organized. Capital \$50,000. G. S. Barnes, Tottenville, N. J. Lowe, R. A. Irving, H. Cessey and W. Worthington are the directors.

MACVEAGH IS SUED BY C. F. LEACH

Franklin MacVeagh, secretary of the United States treasury and formerly at the head of a large grocery jobbing house in Chicago, has been made defendant in a \$100,000 damage suit filed in the circuit court of Cook county by Charles F. Leach, formerly collector of customs for the port of Cleveland, Ohio. The action charges libelous statements after Leach was removed by President Taft.

NEW POSTAL BANKS OPENED

Orders have been issued by the postmaster-general for the opening of a postal savings bank at Belleville, Ill., on June 1st. On that date postal savings banks will be opened at Indiana Harbor, Ind.; Albia, Iowa, Owosso, Mich.; Hibbing, Minn.; Beaver Dam, Wis., and St. Charles, Mo.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

ies and 36 private. All are members of the blue ribbon state organization.

IT was reported at Nashville that some one from Illinois carried a resignation from the council signed by Frank P. Judson, but it was not presented. Probably it would not have been possible to use it there and at the same time have put in any other than J. B. Forgan. Of course there were others who would have been willing to serve out the term.

LOOK who's here! "Joe" Pollard of Fort Madison, Iowa, was in Chicago this week, touring by automobile, and looking fine and hard as nails. He hasn't spoken at a state bankers convention for five years, although from force of habit, his name has been on many programs. It has been customary for Mr. Pollard to reply to requests, saying that as soon as able he will be glad to come. These promises have so accumulated that this delightful speaker must go through a sort of oratorical bankruptcy and start all over again.

ANY state secretary who can land him for this season will make a killing. He's just as good as they come.

CHICAGO banks in the clearing house are about to dedicate a "Money Morgue" under the Central Trust, where clearing balances may be kept rather than carted through the streets daily. Twenty-five millions in gold will be hypothecated.

CERTIFICATES of deposit will be issued to the interested banks and in future these certificates will be exchanged by banks to cover balances. This will do away with the old-fashioned practice of transferring the actual cash in wagons. Probably the last trip of these sturdy old wagons and their special police guards will have been made when the new depository is in operation.

FIVE of Chicago's leading firms of architects have been asked to compete in preparing plans for the new ten million-dollar Continental-Commercial National building. It will cover a full city block, using the site of the old Continental building.

EDWIN F. MACK, vice-president of the Central Trust, is taking a brief vacation, practically the first since the merger of the business of the Royal Trust Company with the Central more than two years ago.

VICE-PRESIDENT HANKEY of the Northern Trust is doing the Kingdom of the Mikado, this week, as a part of his extended tour around the world.

HARRY YEAGER'S resignation from his bank at Lewiston, Mont., to become a national bank examiner created a vacancy, so he says, at once. He made no attempt to do politics with the position, which was the only manly course. The council generally is very patient in cases where councilmen or committeemen find themselves out of a banking position.

PRESIDENT E. E. CRABTREE of the Illinois bankers, now that the A. B. A. convention date has been fixed, is getting ready to settle the time of the Springfield meeting. It will be in October some time.

DOWN at the Charleston Group meeting on Wednesday. Chairman B. F. Harris, of the agricultural committee and W. G. Edens, secretary, discussed a plan to have a banker-farmer congress at Springfield the day before the opening of the Illinois convention.

"We have found out," said Mr. Harris, "that the bankers of this state own upwards of a half million acres of farm land, and Springfield is so favorably located that we might be

able to have a sort of agricultural meeting under the auspices of the banker-farmers of our association, in connection with the work our agricultural committee is trying to do. We could get several prominent speakers and there are a number of topics that we could bring up that I am inclined to believe would make the meeting a notable one. It certainly would give the work greater publicity, and would get up such interest that the committees appointed as a result of this meeting ought to make good headway."

F. O. WATTS hasn't rested much lately. After a week of caring for the council meeting in his own city, he jumped to New York for the trust company banquet and from there by fast train to the Mississippi Convention. Yet he comes to bat with a smile of the Sunny Jim variety every time.

"NO, it isn't the bunkers or the fair green that keep me from playing golf," said a big Chicago banker, at Nashville. "It is the one above and the one just below my belt where the trouble lies."

MARSHFIELD, WIS., has a brand new weekly paper—The Marshfield Herald—and the First National of that city showed its appreciation of the enterprise by taking a full page ad for the bank. Yes, the bank is a fine one—established in 1881 as a private and converted to a national in 1891—it has resources of over a million. B. F. McMillan is president and H. G. Hambright is cashier.

MR. WOODS, of the Pioneer Trust, Kansas City, visited Chicago Monday and in conversation with officials of the Central Trust stated that everybody in Kansas City is feeling pretty good about the business situation and outlook for the future. Also they are expecting a large attendance at the joint conventions of Missouri and Kansas the week after next and will welcome a good attendance from the Chicago banks.

SPECIAL committee on trust company legislation, authorized and appointed by the executive council at Nashville, is composed of Oliver C. Fuller, Wisconsin; Lawrence L. Gillespie, New York; F. H. Fries, North Carolina; R. H. Cutler, Connecticut, and F. H. Goff, Ohio.

GEORGE C. VAN TUYL, JR., New York's new banking commissioner, is an Albany banker of fine reputation. We think that even Mr. Cheeney will admit that it is too big a job for an amateur.

JOSEPH T. TALBERT already is playing "first parts" in New York, just as he did in Chicago. His equipment is strictly first class. In all the new deals, such as admitting trust companies and establishing home bank inspection, the New York Clearing House availed of his services. Both of these are Chicago plans and many still claim Talbert as a Chicago banker.

THE Alter bill, regulating private banking houses, has passed the Pennsylvania house finally. It is the purpose of the bill to bring the foreign bankers doing business in the state under the jurisdiction of the state banking commissioner. Only a certain set of private banks were sought by the measure, according to Mr. Alter, but in order to get these it was necessary to include all private banking houses.

MR. ALTER declared that it was objectionable to some large banking houses to make semiannual reports and thus expose their private affairs to public inspection. The bill was drawn so that all such bankers in first and second-class cities, by filing a bond of \$100,000 with the state banking commissioner, would be immune from the provisions requiring a semiyearly report. In all other cities, the bond is fixed at \$50,000. All private banks not filing the required bond of immunity are required to

make a report twice a year to the state banking commissioner and in addition file a bond of not less than \$10,000 or more than \$50,000.

FRANK O. HICKS, the new vice-president of the Mechanics-American, St. Louis, has sent out in booklet form a little story by the late O. Henry, entitled "Friends in San Rosario," being the experiences of a national bank examiner in Texas. The story is from the famous Henry "Roads of Destiny" series printed by Doubleday, Page and Company. It is a gem and if you didn't get one use a postal on F. O. H.

E. J. CURTIN, of Decorah, was indorsed at the Elkader group meeting for the presidency of the Iowa Bankers Association. A better selection could not be made.

CASHIER.

CHEYENNE BANKER HERE

A. H. Marble, vice-president of Stock Growers National Bank, Cheyenne, Wyo., was a caller at Fort Dearborn National the fore part of the week. Mr. Marble stated that the decline in live stock prices had caused some depression in Wyoming but not enough to arrest the progress of the state. The agitation for removing the tariff from wool, or at least materially reducing it, is also having a depressing effect on farmers.

AMERICAN BEET SUGAR

The annual report of the American Beet Sugar Company for the fiscal year ended March 31, 1911, shows gross receipts of \$8,344,792, an increase of \$1,361,020 compared with the previous year.

The company's net surplus of \$1,643,659 was equal to 10.9 per cent earned on \$15,000,000 common stock outstanding, compared with 7.31 per cent on a similar amount of stock in the year preceding.

HILL'S LINE LOSES TRAFFIC

The Great Northern's loss in traffic in April amounted to \$803,096, or 15 per cent. This increases the gross loss for the fiscal year to \$2,571,086. For twelve months the total gross decrease will probably be between \$3,250,000 and \$3,500,000. Even so, Mr. Hill expects to show better than 9 per cent earned on his stock.

COL. EDWARD HOWE A VISITOR

After leaving Nashville last week Colonel Edward Howe of the Bank of Princeton came up to Chicago and took occasion to extend his acquaintanceship here. Colonel Howe is an entertaining champion of Governor Woodrow Wilson's merits as a political leader.

COOK PUTS ONE OVER

Vice-President Wm. C. Cook of Western Trust and Saving Bank, has put one over on the crowd by exhibiting the finest string of fish seen in Chicago this season. Mr. Cook was in Wisconsin two days. He defies anyone to prove that he didn't catch them.

HIGHLAND BANKER IN TOWN

Louis Koch, cashier of State and Trust Bank, Highland, Illinois, was a visitor at LaSalle Street National, Wednesday. Highland is in a rich dairy district and is enjoying more than the ordinary prosperity of interior towns.

SOUTHERN BANKER HERE

President J. T. Thomas of Bank of Grenada, Mississippi, was a visitor at Chicago Savings Bank the fore part of the week.

LAW COMMITTEE MEETS

President Lucien Teter of Chicago Savings Bank and Trust Company returned from New York on Tuesday. He had been attending a session of the law committee A. B. A.

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Saves 25% in time.

Prevents errors.

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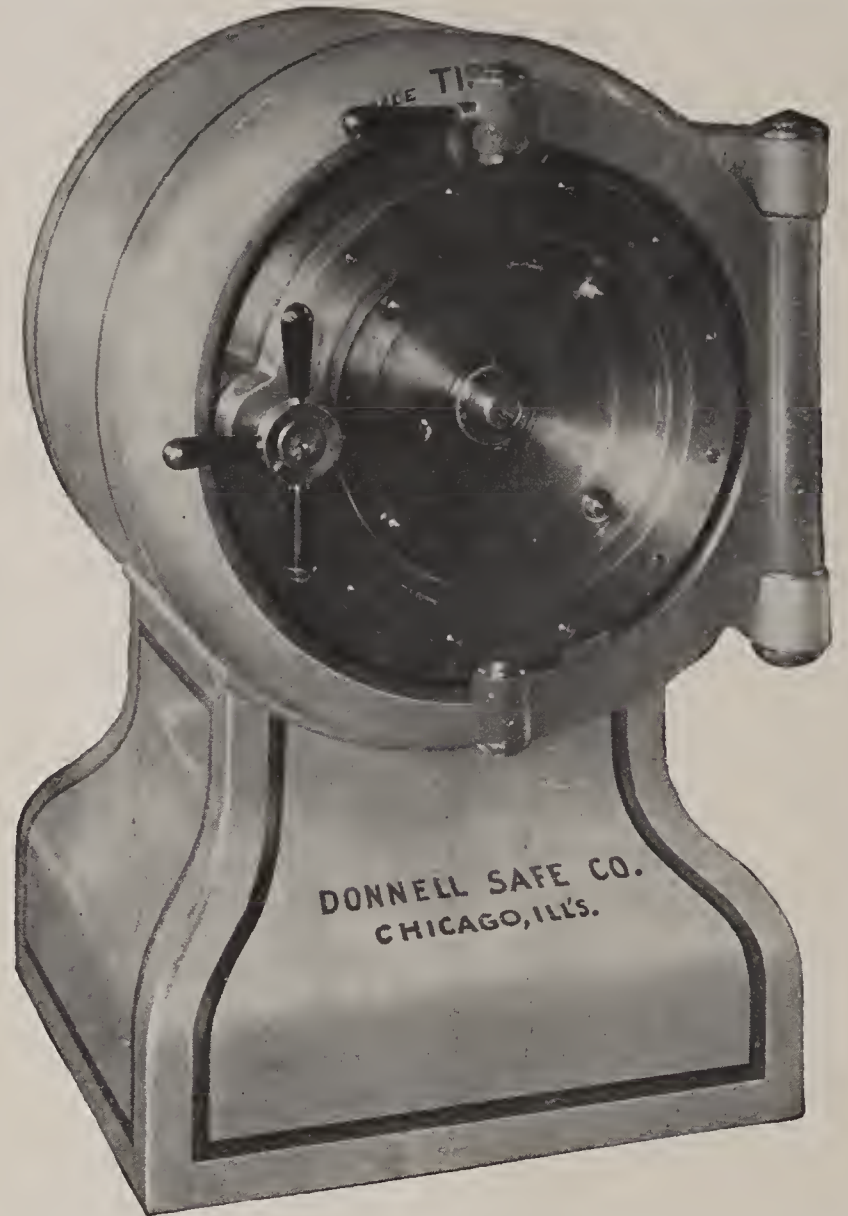
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Deposits, May 6, 1911 - - - 29,031,750.04

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H. E. OTTE	• Vice-President	HENRY MEYER	• Assistant Cashier
F. A. CRANDALL	• Vice-President	A. W. MORTON	• Assistant Cashier
L. H. GRIMME	• Cashier	WM. N. JARNAGIN	• Assistant Cashier
W. T. PERKINS	• Assistant Cashier	WALKER G. McLAURY	• Assistant Cashier
W. D. DICKEY	• Assistant Cashier	R. U. LANSING	• Manager Bond Dept.
		M. K. BAKER	• Asst. Manager Bond Dept.

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Surplus and Profits - - - 6,400,000.00

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W. K. HARDT, Assistant Cashier	

The Girard National Bank

OF PHILADELPHIA

Capital, - - - \$2,000,000.00
Surplus and Profits, 4,450,000.00
Deposits, - - - 38,500,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
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CHARLES M. ASHTON
Asst. Cashier

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MAY 20, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

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Banking Opinion

"I don't see how the supreme court could have decided otherwise in the Standard Oil case," said Byron L. Smith, president of Northern Trust Company, Thursday, "and I can't see that the decision is doing any harm."

"In a general way business people had discounted the ruling. They had taken in sail and were going slowly, months before, not knowing how sweeping the court's decision would be nor how the country's financial interests would respond. That was a good thing, because there was overexpansion in some directions. The country is now in shape to move forward again and will begin to do so before the end of the year."

Way Clear for Business

"The Standard Oil decision makes the way clear for a resumption of industrial activity," said J. C. F. Merrill, president of Chicago Board of Trade. "The nation's commerce will be likely to manifest a restoration of confidence which has long been wanting and which is so needful to commercial health."

Business will Move Forward

"The Standard Oil decision is of the deepest interest to all manufacturers for many reasons, not the least being the partial relief from the doubt which has depressed our business progress for many months," said John Kirby, Jr., president of the National Association of Manufacturers. "Rightly or wrongly, trade has undoubtedly feared the effect of the decision and trade has naturally held back until the status of corporations under the Sherman act has definitely been settled."

"Personally I believe that now, or at least after the second important decision has been delivered, our business will move forward and, following a bountiful harvest, help to restore trade to a more satisfactory and prosperous basis."

West Calls for Money

"There is a little better demand than a few weeks ago," said Ernest A. Hamill, president of Corn Exchange National. "All of it seems to be coming from the country, and particularly from the Far West. The banks in that section are drawing out their deposits, and the coming bank call should show some falling off in that class of deposits from last March. There is no demand for money from local business interests over the normal requirements. Judging from the crop outlook, there ought to be good demand in ninety days or less."

Important Banking Move

E. D. Hulbert, vice-president of the Merchants Loan and Trust Company, who has just returned from New York, reports optimism among Eastern bankers. He says there is universal satisfaction with the action of the New York Clearing House Association in admitting to membership the trust companies on condition of their maintaining a 10 per cent reserve in their own vaults or some other bank, in addition to the requirement for 15 per cent cash in steady reserve.

"It may be considered the most important banking step in years," he said. "Had it been in effect prior to 1907 the brunt of the stringency

would not have fallen on a few national banks in New York that were unable to stand the pressure. It would have been scattered among the state banks and trust companies, whose deposits approximately equal those of the national banks and where it should be shared.

"Further, it places those banks under the control of the clearing house with efficient bank examination and rigid control assured. The importance of the New York state banks and trust companies in American banking makes their admission to the clearing house a matter of national interest."

MERGER OF L LINES

Announcement was made in New York of the completion of negotiations for the merging of all elevated railway properties in Chicago. Papers were signed binding the National City Bank of New York as head of the banking syndicate to underwrite \$22,000,000 cash to be offered the stockholders in the several companies. A first and refunding bond issue was provided for, to take up the \$18,000,000 Northwestern Elevated 4 per cent bonds due September 1st, and an agreement was reached for an alternate offer of securities to be made those stockholders of the elevated roads who may prefer stock in the new company to cash for their holdings.

Festus J. Wade

Chairman Festus J. Wade, of the A. B. A. monetary commission, subcommittee, reports that a plan has been completed whereby state banks and trust companies may be admitted to the national reserve associations, under the new currency and banking plan. Now if the ex senator from Rhode Island will step out of the spot light the play can go on.

LA SALLE STREET NATIONAL

Many statements utterly devoid of truth have appeared in Chicago newspapers during the last week with reference to Senator Lorimer's bank, the LaSalle Street National. The purpose was to make it appear that other Chicago banks were arraying themselves against the LaSalle Street National and that the Corn Exchange had refused to continue to clear for the Lorimer institution.

With the completion of its first year the officers of LaSalle Street National decided to apply for admission to the clearing house.

This application has been made and will be acted on as soon as the committee is able to meet—probably about the middle of next week. The examiners have this week spent two days going over the accounts of LaSalle Street National and already have their report ready.

The Corn Exchange will continue to clear for the sister bank until the clearing house acts.

It is stated on the word of Senator Lorimer that there is no friction between the banks. He said that the application for membership in the clearing house body simply was in line with the program mapped out by the bank some time ago.

"It is the purpose of this bank to obtain a
(Continued on page 31)

Oklahoma Session

The program for the convention of the Oklahoma Bankers Association which will meet in Oklahoma City May 22d and 23d has been made public through W. E. Campbell, secretary of the Oklahoma City chamber of commerce. The session will be called to order Monday morning May 22d at 9:30 o'clock. The first day will have these features: Address of welcome, Prof. A. C. Scott, Oklahoma City; response, George A. Murphy, Muskogee; review of the year's work, President Ferguson; report of the treasurer, J. M. Browning, Oklahoma City; report of the secretary, W. B. Harrison, Enid; reports of group secretaries: Group One, F. W. Smith, Lawton; Two, Joseph Dvorak, Renfrow; Three, C. D. Rorer, Shawnee; Four, G. B. Davis, Claremore; Five, D. A. McKinley, Durant. Address by George B. Harrison, Jr., of Kansas City, Mo., vice-president of the new England National Bank. There will be announcements of committees and adjournment for luncheon. In the afternoon of the first day a feature will be an automobile ride by the lady visitors and entertainment to them at the home of Mrs. F. P. Johnson. In the afternoon the delegates will be guests of the Oklahoma City bankers at a ball game between Oklahoma City and San Antonio teams. That evening there will be theatre parties and other forms of entertainment.

At the session on Tuesday morning the proceedings will be opened by a half hour question box. This will be followed by an address on "The National Reserve Association Plan," by C. W. Allendoerfer, vice-president of the First National Bank of Kansas City. C. J. Grant, auditor of the American Exchange National Bank of Dallas, Texas, will speak on "The Numerical Transit Plan," of which he is the originator. Louis C. Boyle, of Kansas City, will speak on "Bankers' Alliance Fire Insurance." The election of officers of the Oklahoma Bankers Association will end that session.

The Oklahoma State Bankers Association will hold its convention on the afternoon of Tuesday following that of its sister organization. Its session will be short and in addition to the regular business the following addresses will be given: "Protection of Our State Banks," I. H. Makinen, Salisaw; remarks by Governor Cruce; an address by John Schuette, a banker of Manitowoc, Wis., and an address by J. C. McClelland of Oklahoma City. The bank guaranty law will be discussed.

GOOD CROP PROSPECTS

Crops are reported to the Northwestern National by correspondents in such a strain as bring a generalization from J. A. Latta, vice-president, as follows: "Conditions at this time could not be better and they are intrinsically better now than at the same period of last year. There is scarcely a section of the two Dakotas that has not been generously provided with rain and since we received detailed reports about a week ago to that effect, more rain has fallen. Devils Lake had two inches of rain yesterday. The really encouraging feature of the crop conditions is that we are having an absolutely normal spring, in marked contrast to last spring."

Continental and Commercial National Bank OF CHICAGO

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JAMES R. CHAPMAN - - - Vice-President
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EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Surplus and Profits \$10,000,000

Officers

NATHANIEL R. LOSCH - - - Cashier
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GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor
JOSEPH McCURRACH - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
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Officers
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ESTABLISHED 1873

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Deposits 10,000,000

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A. E. COEN, Asst. Cashier
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Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

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AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

MEMBERS of Group Two, Indiana, had a hard time side-stepping the meeting which was held at South Bend on Friday. The invitation took the form of a court subpoena signed by Myron Campbell, the chairman, and officially attested by David T. Emery, secretary. Along with this invitation came a self addressed postal card directed to Rome C. Stephenson of the St. Joseph Loan and Trust Company, at South Bend, upon which you were asked to specify the number of representatives which member banks would send. There was a fine luncheon at the Hotel Oliver and a good program.

THE meeting was devoted chiefly to a discussion of the reserve association plan, and member banks were warned that, if they remained away, they would earn an entrance under one of the following classifications: "A grouch," "a back number," or "a stay-at-home." Thus the bank had to make a choice between attending or being listed under one of these subheads. This neat little plot was charged up to Stephenson.

CHAIRMAN B. F. HARRIS of the agricultural committee (Ill.) is working upon his plan for having a banker-farmer congress, one day in advance of the state convention at Springfield. He has gathered some amazing statistics. Replies have been received from 550 bankers located in 53 counties of the state, showing ownership (or representation of ownership) of 790,548 acres of Illinois farm land. About one out of five of these bankers indicated their willingness to serve on committees to help on the work. Under ordinary percentages, these statistics would indicate that at least a million acres of farm land in Illinois are controlled outright by members of the Illinois Bankers Association.

ONE cannot avoid thinking about what a splendid opportunity President Crabtree has afforded Governor Woodrow Wilson to meet the owners of a million acres of Illinois farming lands, who at the same time preside over the destinies of nearly 1,500 banks. Such a meeting is worth while.

C. F. CHILDS AND COMPANY, 29 South LaSalle Street, Chicago, will put you on their mailing list for their investment bulletin if you request it. Mr. Childs is an expert on government bonds, and the circular deals largely with these securities. Whenever a banker is in doubt about whether it will pay him or not to invest in governments and take out additional circulation, he should ask Mr. Childs about it. The information will cost him nothing and will be correct.

BANKERS who attended the Charleston (Ill.) group meeting were greatly amused at the eccentricities of the Charleston Daily News. Here is a sample. In describing the meeting it referred to one of the speakers as "A stall-fed man from Chicago told the people how they could fix the papers on a farmer's land." This was about all they had to say about a most excellent paper read by Mr.

Thompson of the Merchants Loan and Trust Company of this city. Mr. Thompson is a big man physically as well as mentally and an expert on farm mortgages.

THE Daily News' idea of the importance of the meeting consisted in detailing how much the hotel and the butchers got out of it and what the gasoline cost which was burned up in showing the bankers around the town. The editor of this publication seems to be just about as short on ethics as he is in the information which would lead him to recognize a good news item when it happened right in his own town.

HATS off to James B. Forgan! Here is a banker big enough to recognize all that is good in the new national reserve association movement, and at the same time to properly value the "Aldrich Plan" handicap. This paper believes that the movement will attain popularity rapidly if the old pilot can be dropped overboard.

MR. FORGAN truthfully states that every reading man in the country charges up the objectional tariff schedules to the ex-senator from Rhode Island. Westerners have great difficulty in believing anything to be patriotic and honest which comes from his hand. This may at times be unfair to Mr. Aldrich, but it is a fact to be reckoned with nevertheless.

NEXT time you visit Milwaukee on one of the big steel excursion boats, keep your weather eye open for the river frontage of the new Marshall and Ilsley Bank. It is planned that all of the new bank buildings on Water Street in that beautiful city will have colonnaded fronts not only upon the street side, but upon the river side along which it is expected a beautiful promenade will be constructed.

CHICAGO has two rival railroads, the Frisco and the Rock Island, each giving through service to Texas and the Southwest. This should be kept in mind in planning for travel to that wonderful country.

ANOTHER innovation by a Chicago railroad consists in being prepared hereafter, to furnish your meals a la carte at a time set when you buy your ticket and Pullman reservation. When your meal is ready, you will be notified and will not have to stand in line to wait for a scat. Nothing is too good for the railroad traveler of the present day.

FOREMAN BROTHERS BANKING COMPANY of this city has been admitted to membership in the Chicago Clearing House Association, and hereafter will be known as No 27. There are six national banks and twelve state banks at present enjoying membership. These eighteen institutions hereafter will keep their balances in the new vaults being constructed at the Central Trust, and will not transport their balances through the streets in wagons as heretofore.

OKLAHOMA guaranty received another black eye last week when a Guthrie judge granted an injunction restraining the board from interfering in any manner with the Bank of Indian Territory.

THIS bank objects to the payment of any further assessment based upon an impairment of the reserve fund, which it denies. The bank raises the claim that the fund is being used for improper purposes.

THE Burlington railway is not to be behind the other first class lines serving the public from this center. It will erect a one-million dollar office building convenient to its West Side terminal in this city. President Miller has been wise enough to conceal all of this information from the public until he had a title to the necessary property.

NEW JERSEY program announced "gold buttons will be distributed to all registered delegates, 'extra gold' (whatever that is) buttons may be had in the registration room at 25 cents each." We are writing to Charles L. Farrell, at Newark, for a little green light on the subject.

OUT of the twelve members on the program there was one banker (a year out of the public service) the rest being professors, lawyers, public officials and accountants. That wouldn't go out West, where bankers convention means what it says.

THOSE Eastern financial editors who subsist on small advances at home and travel out on due bills never cease to prattle about "the Aldrich plan" and "Cannon for chairman." It oughtn't to hurt the chances of either but there is a danger. Note the innumerable times they have been "going to crucify Farnsworth," to say nothing of Burns. Blind fate must be preserving them for some other end than that of taking a tumble to themselves.

WE presume W. C. Cornwell, editor of "The Bache Review" is out of practice in the praying line, or he would not have directed his supplications, in error, to the supreme court of the United States.

"CLEARINGS Refused to Lorimer's Bank" was the huge head line in the Kohlsaat paper on Monday. Libelous? Most likely, for the clearing house, which is the only power which can refuse clearings, never was mentioned. The Corn Exchange National, the item read, does not wish to continue to represent the LaSalle Street National as clearing agent. One would expect greater honesty from a paper with such a reputation for sound financial news. Too much politics can injure a daily paper quite as much as it can injure a bank. When the public puts a paper on the "unfair list" its influence has departed.

ALBERT F. DAWSON (in congress for six years) has been elected president of the First National, Davenport, Iowa. Mr. Dawson (Continued on page 31)



COLONIAL TRUST AND SAVINGS BANK

205 La Salle Street, CHICAGO

JACOB MORTENSON, Vice-President
R. C. KELLER, Vice-President and Cashier

LONDON CABELL ROSE,
President

EMIL STUEDLI, Assistant Cashier
W. F. DOGGETT, Assistant Cashier

We offer a convenient and efficient service to those desiring a Chicago connection

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
R. M. MCKINNEY, Cashier
JAMES M. HURST, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. H. HURLEY, Asst. Cashier

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
C. T. JAFFRAY, Vice-President
A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President

D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

CORN EXCHANGE NATIONAL BANK . . . OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President

CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS

Charles H. Wacker
Clarence Buckingham
Edward A. Shedd
Edward B. Butler

Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair
Clyde M. Carr

Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

CHARLES G. DAWES, President
WILLIAM R. DAWES, Cashier
A. UHRLAUB, Vice-President
E. F. MACK, Vice-President
WILLIAM T. ABBOTT, Vice-President
ALBERT G. MANG, Secretary
MALCOLM McDOWELL, Assistant Secretary
WILLIAM G. EDENS, Assistant Secretary
JOHN L. LEHNHARD, Assistant Trust Officer

DIRECTORS

A. J. EARLING, President Chicago, Milwaukee & St. Paul Ry. Co.
P. A. VALENTINE, Capitalist
ARTHUR DIXON, Pres. Arthur Dixon Transfer Company
CHARLES T. BOYNTON, Pickands, Brown & Co.
ALEXANDER H. REVELL, President Alexander H. Revell & Company

S. M. FELTON, Pres. Chicago Great Western Ry. Co.
T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT
CHARLES G. DAWES, ex-Comptroller of the Currency

George M. Reynolds in Texas

The distinguished Chicago financier speaks at the Dallas convention upon "Safeguards Against Recurring Panics"

Dallas, Texas, May 16.—Texas bankers were delighted to see the palatial special car roll in, bearing the big Chicago financier, President George M. Reynolds, of the two hundred million dollar Continental and Commercial National. He came to speak upon his intense hobby, the National Reserve Association measure, disguised under the taking title of "safeguards against recurring panics." In his address Mr. Reynolds went over the reserve association plan using the same explanations and arguments, so strongly advanced in his recent booklet. On the subject of preventing recurring panics he said in part:

The rapid development of our country in recent years, bringing under cultivation a constantly increasing area, has caused the scope of our activities to be ever-expanding and more far-reaching.

Success in individual enterprises has made for growth in the volume of our business, and as the volume has increased there has necessarily been an evolution in methods under which business has been conducted, until to-day success requires the application of scientific methods in our undertakings.

Old-time practices and methods have been superseded by modern practices and methods, better calculated to enable the business man to keep pace with the exacting and ever-increasing requirements of the public.

The same rule that governs individual enterprises and those formed through the combined contributions of many individuals toward a common capital, and commonly known as corporations, should apply with equal force to municipalities, commonwealths and nations. The measure of success of these depends upon the promptness with which the evolution of their laws meets the requirements of their civic and business needs.

What are known among business men as practices and methods are known as laws under commonwealths or nations, and, naturally, with the changes in the practices and methods of business, there should be corresponding changes in the laws governing business.

You are all so thoroughly acquainted with what are generally regarded as the weaknesses of our present financial system that it is unnecessary, in view of the short time at my disposal, to do more than to merely mention two or three of them.

The close of the Civil War found a large area of our country devastated and the nation heavily burdened by debt. Every possible recourse had been resorted to in order to raise funds with which to carry on that war, and the paramount thought of the administration at that time was to devise a plan which would maintain the credit of the government and at the same time secure a market for, and the maintenance of, the values of its securities. It was at that time, and under those conditions, our present national banking system came into being.

The plan of using our government bonds as a basis of security for what was destined to be a large part of our circulating medium, served

the double purpose of providing what, at that time, in view of the volume of our business, seemed a fair system of currency and at the same time created a ready market for those bonds.

The lack of flexibility in our present nation-of circulation, makes it impossible for us to apply the law of supply and demand to either the



GEORGE M. REYNOLDS
Chicago

money or the credit necessary for the conduct of business, which law should be the basis upon which all operations are predicated.

The fact that our national bank-note circulation of about \$700,000,000 is based entirely upon government bonds, which has been sold to the national banks of the country at an inflated value, necessarily prevents the contraction and expansion of those notes to meet the requirements of business. The same can be said of our gold certificates, the issue of which at the present time amounts to a little under one billion dollars and secured one hundred cents on the dollar by gold coin,—to say nothing of our silver certificates of \$466,000,000,—are no more flexible than the national bank-notes; for, in the event of the cancellation of any of these certificates, the gold or silver coin which is held by the government as security thereto must be put into circulation.

In addition to this we have in circulation \$346,000,000 of what are technically known as United States notes, but which are more generally known to the public as "greenbacks." These are notes of the government issued without any security whatever back of them, being purely fiat in their character, and certainly are no more flexible than the other paper circulation.

The greatest material and industrial devel-

opment known to the world is that so markedly shown in the United States, and therefore, in order to keep pace with this wonderful development, industrially and commercially, the laws of the nation as well as of the various states, have been constantly changing; but the changes in the laws governing our currency and banking system, which laws of all others are the most important, have been so insignificant that for all practical purposes we are to-day limited to the same facilities which were provided nearly fifty years ago.

In view of our ever-increasing volume of business, it is surprising that we have had so little interruption to it through panics and lack of confidence; and the fact that our present financial system, which is admittedly unscientific and weak in many respects, has served the country so well is due to the marked growth of the use of credit in our business transactions. In other words, if it had been made compulsory to use only actual money in the conduct of our business, it must be clear to all that either there would have arisen the necessity for a material increase in the amount of our circulating medium, or the development of the country and growth in business would have been much less rapid.

The development of a single county in a given state would require only a given amount of money, no matter whether that development were carried on either through the use of money entirely or through the use of both money and credit; but if every county were to be developed at one and the same time, an infinitely greater amount of both money and credit would be required. It is this ambition on the part of our people to develop all sections of the country at the same time, and as rapidly as possible, together with the increased requirements for both money and credit with which to handle our largely increased commerce, which has made it clear to the thinking man that our present financial system is inadequate at times to meet even the reasonable requirements made upon it.

The growth in the percentage of credit used in business to the total volume of business has increased so rapidly that at least 95 per cent of the transactions in the United States are based upon credit.

Since, then, such a large volume of our business is then upon credit, naturally credit becomes one of the most important factors in all economic life. Therefore, our greatest need at this time is the establishment of some central institution given power under enactment of law to provide the credit necessary to meet the reasonable requirements of business, but which at the same time will be safeguarded so as to confine credit within the bounds of a conservative limit.

A credit to be stable must be protected by a proper banking and currency system, and I appear before you to-day to urge that you assist to the extent of your ability in bringing about the enactment of legislation which will provide for the United States a system of currency and banking which under all reasonable circum-

stanees will maintain the stability of our credits.

Panics have overtaken us as the result of a multiplicity of causes; principal among which has been our failure to maintain at all times the proper relation between credit and actual money, which must be held to make credits stable.

I maintain that a panic which culminates in the hoarding of money invariably follows the inability of solvent people or concerns to obtain credit when credit is unobtainable, confidence is disturbed and hoarding is resorted to; but the hoarding of money is never the fashion so long as credit can be secured. Inasmuch as the measure of credit which can safely be extended to the public must be in a proper relation to the money held by the banks of the country as a reserve against that credit, the inability of the banks, on account of the lack of flexibility in our currency system, to increase the supply of lawful money reserves beyond a certain point, makes it necessary for them to limit the credit they furnish; consequently, it often happens that banking institutions are unable to furnish during times of stress or pressure the amount of credit necessary for the successful conduct of legitimate business, to say nothing of being annually forced, during the crop moving season, to drain their supply of funds to a point close to the limits of their lawful reserve, in order to meet this requirement.

Under existing conditions, if a planter in Texas needs money with which to mature his crop, or the merchant who markets the crop needs money to move it, it is natural for him to apply to the local banker in his community for the credit thus required. If the relation between that bank's reserve and its liabilities is such that he can increase his liabilities without impairment of his reserve, he makes the loan and places the paper of the applicant in his portfolio. If, however, as often happens during the cotton-moving season, when an abnormal amount of money is necessary for the movement of such crops, his credits are already extended as far as they should be in proportion to his reserve, his ability to discount the note for his customer depends entirely upon his ability to rediscount the same with his correspondent in some reserve city.

Assuming that he is located in one of the smaller cities of Texas, it would be but natural that he should send the note for discount to his correspondent in Dallas or one of the other large cities of Texas; they in turn would credit him in his account for the proceeds of the discount, and if their reserve should be impaired by so doing they would necessarily have to depend upon rediscounting either this note or some other note with their correspondent in some central reserve or other city.

Now, so long as the banks in the three central reserve cities—Chicago, St. Louis and New York—are in a position to receive this paper from their correspondents in Dallas, or elsewhere, and give them credit for the proceeds of same, just that long our machine of commerce works very smoothly.

Under the law of averages, the banks in the three central reserve cities carrying balances from all sections of the country, are more apt to be able to extend credit to their correspondents without outside assistance than are the banks in Dallas, all the correspondents of which are working under exactly the same general conditions. In other words, a condition which makes one of its correspondents need money applies to nearly all of its correspondents, since the same general conditions are likely to prevail throughout the entire state, and in consequence, it experiences, first, a very marked withdrawal of its deposits, and, secondly, a large demand from them for rediscounts or for loans. Whereas, the banks in the three cen-

tral reserve cities, whose deposits come from all sections of the country, may experience a very large demand for either money or credit from Texas or the South, when conditions in other sections may be easy and the demand light, or vice versa.

Thus, the central-reserve-city bank is able through the interchange of credit to do much to assist its friends throughout the country; but when the conditions are abnormal, as they sometimes are, and the demand upon the central reserve cities for credit or currency comes from all sections of the country at the same time, they are unable to meet even the reasonable requirements of their friends, for the reason that under our existing national banking system, there is no source to which they can turn for assistance through the rediscounting of their paper securities, or otherwise. When this condition obtains they are obliged to acknowledge their inability to further expand their loans. Under these circumstances confidence is disturbed, and fear, displacing reason, prompts a desire to hoard money. When this desire overtakes the people, and the banks are called upon to pay out abnormal amounts of money, we find ourselves in the midst of a panic.

This is exactly the condition that prevailed in 1907, and that panic, memorable because of the fact that practically all of the banking institutions throughout the entire country suspended specie payment at the same time, caused those high in the official circles of our government to come to a realization of the pressing need of at least some modification in our currency system.

Mr. Reynolds then took up the National Reserve Association measure as proposed by the National Monetary Commission and amended and endorsed by the monetary commission of the American Bankers Association, and further approved by the executive council on J. B. Forgan's report at Nashville.

GROUP SYSTEM STARTED IN IDAHO

Idaho bankers, like those of Illinois, decided not to wait upon formal action by the state association, and went ahead and organized Group One, at Boise. E. F. Larson, Citizens Bank of Nampa, was made chairman. Mr. Larson formerly was a banker at Britt, Iowa. Fifty bankers attended the first meeting and a second group is to be organized. This reminds one of the first Illinois group at Moline and the second at Peoria.

FARMERS & MECHANICS NATIONAL OF FORT WORTH

The Farmers & Mechanics National of Fort Worth has been devoting a great share of its attention to out of town bank accounts. It had a number of active workers to represent it at the Dallas convention, and has announced that it will be glad to correspond with those who may be contemplating the opening of new accounts, or who may be wishing to make changes in their connections. The Farmers & Mechanics has a large list of correspondents already, well distributed over the state, and consequently has collection facilities which are unexcelled. The bank has a capital and surplus of \$600,000, which is ample for every condition of conservative banking. J. W. Spencer is president, J. T. Pemberton and Ben O. Smith are vice-presidents. B. H. Martin is cashier and his assistant is G. P. Stewart.

NEW BANK AT AMBIA, IND.

Farmers and Merchants State Bank, of Ambia, Ind., opened for business May 1st. It will use the room formerly occupied by the private bank of Williams, Goodwine, and Company, and a new vault will be built for them. Ambia is a good town just over the state line east of Hoopston and is surrounded by as good land as there is in the Central West. Thirty of the solid farmers of the vicinity are stockholders of the new bank which will have capital of \$25,000. Ambia has one bank already, the First National, which bought out the business of Williams, Goodwine, and Company, but like other good villages of about 800 inhabitants, it seems that two banks are inevitable.

AMERICAN NATIONAL OF PARIS, TEXAS

Conspicuous among the successful banks of the Lone Star State must be mentioned the American National Bank of Paris. It was established in January, 1907, and opened for business the middle of the following month with a capital of \$150,000 and no surplus. The bank itself is the only new thing about the organization. J. F. McReynolds, the president, has been engaged in the banking business in Paris for twenty-four years. W. T. Ridley, the cashier, has had nineteen years of experience, and vice-president W. R. Wood, seventeen years. These three officials, owing to their long experience and practical methods, have in four years built up their institution where they can show a surplus and undivided profits of sixty thousands and more than a million in deposits. Not anything could speak in higher terms of the ability of these bankers nor of the prosperity in that part of the state in which the bank is located. The bank was represented at the Dallas convention, and the showing made in its March 7th statement to the comptroller was favorably commented upon.

BANK ROBBED FOR THIRD TIME

The private bank of Alexander Pate of Wellington, Iroquois county, was visited by yeggmen a few nights ago for the third time in a decade. The robbers blew the safe door with nitro-glycerine and so great was the force of the three explosions that the safe was entirely ruined and the bank furniture was overturned. Over \$3,000 in cash was secured, all that the bank had except \$4, but the books were left intact. The yeggmen who robbed the bank the first time served a term in the state prison but the second robber was never found.

NEW BANKS IN ILLINOIS

Among the banks recently organized in Illinois are: Farmers State Bank, Stonington; Rochester State Bank, Rochester; Peoples State Bank, Newton.

Diversified Investment

This Company suggests to careful investors the advisability of dividing their funds among bonds of various classes, in this way obtaining a well diversified investment. Investments made in this manner will possess the individual qualities of the respective classes in combination, thus making the investment well balanced. For instance, we own and offer a 5% railroad bond, a 6% short term note, a 4½% equipment bond and a 6% industrial bond, netting at present prices

An Average Yield of
Over 5.35%

We will furnish particulars of these on request.

Ask for our Circular D-124.

**Guaranty Trust Company
of New York**

28 Nassau Street

Capital and Surplus	-	\$23,000,000
Deposits	-	\$133,000,000

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital	-	-	\$1,500,000
Surplus and Profits			500,000
Deposits	-	-	21,000,000

WM. A. TILDEN, President
 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
 THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
January 7, 1911	16,736,997.29
March 7, 1911	21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Farwell Trust Company

CHICAGO, ILLINOIS

DEALERS IN

BONDS

CORRESPONDENCE INVITED

ILLINOIS BANKING NEWS

By C. C. Burford

Corn planting is practically ended and only those farmers who are "late" will have much planting to do during the coming week. The ground has not been always in the best condition as dry weather prevailed following the 9th of May and many farmers found that their fields were extremely "cloddy." The weather was well fitted in general for planting. Grass has been good but was somewhat shortened by the dry hot weather. The season for poultry and the great mortgage lifter, the hog, has been an extremely good one and gardens and truck patches have been doing well. Horses are quoted somewhat lower and so are milch cows.

Some of the best judges of fruit conditions believe that this crop is safe so far and if the next week or ten days can be passed without a late May frost the prospects are that the fruit will be "safe." The place which an abundance of cheap fruit takes in the economy of living can hardly be overestimated. The growth of fruit, garden, poultry, and dairy products by the farmer and the man in country villages as an item which goes far toward reducing their cost of living as compared to those in city environment.

Bankers Learn of Better Farming

Group Six bankers who attended the annual group meeting at Charleston, May 10th, are unanimous in the praise of Dr. E. E. Taylor of Moline who spoke on the subject of "Better Farming." One banker said that the address was the best and most sensible agricultural address to which he had ever listened. Dr. Taylor handled his subject in a most able way and he could have had no more appreciative audience than the bankers of the rich farming counties of Group Six who heard him at Charleston.

Chicago bankers on the program were William G. Edens of Central Trust, Frederick W. Thompson of Merchants Loan and Trust, and

Secretary Crampton of the Illinois Bankers Association. Rotation in office is observed in Group Six. Vice-Chairman George W. Telling cashier of the Commercial Trust and Savings of Danville, becomes chairman, John M. Glassco, cashier of the Charleston State Bank is the new vice-chairman, while G. R. Helm, of Bragg, Helm, and Company of Tuscola is the new secretary and treasurer. The place for the next meeting was undecided but it will probably be either at Tuscola or at Mattoon.

More Postal Banks Designated

Canton and Belleville have each been designated as locations for new postal savings banks by Postmaster-General Hitchcock. These offices with those at Pekin and LaSalle gives Illinois four offices. Red Oak, Iowa, and Sullivan, Indiana, have also been selected.

Bank Robber Found Guilty

George Reed, alias "J. Miller" was found guilty at Monmouth of robbing the bank at Swan Creek, near that city, on the night of January 30th last. Reed was arrested at Monmouth the day after the robbery but escaped

jail March 18th, and was recaptured at Nelson, Nebraska, a month later.

New Building on Old Site

Reisch Brothers of Springfield will erect this season a thoroughly modern eight-story office and commercial building on the site of the old Ridgely National Bank. The Ridgely bank corner is a historic spot in the city of Springfield.

John P. Frenzel, Jr.

The Merchants National of Indianapolis, one of the leading financial institutions of the Hoosier state, never overlooks an opportunity to care for their customers or take on other desirable accounts. Assistant Cashier John P. Frenzel, Jr., was on hand at the Charleston, (Ill.) group meeting to see their customers and to answer any inquiries of the Illinois bankers about Indianapolis banking facilities. Mr. Frenzel always is welcome at Illinois meetings.

F. E. FARRELL Established 1864 E. E. CRABTREE

F. G. FARRELL & COMPANY, Bankers
 Successors to First National Bank
 JACKSONVILLE, ILL.

ACCOUNTS AND COLLECTIONS SOLICITED

Hathaway, Smith, Folds & Company

Commercial Paper

137 South La Salle Street Chicago
 Correspondence Invited

**GUARDIAN
 TRUST
 COMPANY**
 OF
NEW YORK

CAPITAL & SURPLUS
\$1,000,000

Pays a rate of interest consistent with good banking

**MOLINE
 ILLINOIS**

Peoples Savings Bank & Trust Co.

Capital and Surplus \$300,000

Deposits over \$3,000,000.00

Solicits Accounts and Collections from Banks,
 Firms and Individuals on Favorable Terms

WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.

**MOLINE
 ILLINOIS**

**Fidelity and Forgery
 BONDS**

Burglary Insurance

National Surety Company

ILLINOIS ADVISORY BOARD

Charles G. Dawes, Resident Vice-President

A. J. Earling David R. Forgan Walter H. Wilson John A. Spoor S. M. Felton George M. Reynolds

Joyce & Company
 (Incorporated)

General Agents

The Rookery Chicago

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,446,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,127,000.00

OFFICERS

Howard W. Lewis, President

Henry B. Bartow, Cashier

John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

Deposits over - - - 24,000,000

OFFICERS

L. A. GODDARD, President

JOHN R. LINDGREN, Vice-President

HENRY A. HAUGAN, Vice-President

HENRY S. HENSCHEN, Cashier

FRANK I. PACKARD, Asst. Cashier

C. EDWARD CARLSON, Asst. Cashier

SAMUEL E. KNECHT, Secretary

WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



IF YOU HAVE NO CORRESPONDENT IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



Texas Banking Conditions

Address of W. H. Fuqua, President of the Association, at the Dallas convention, May 16th

The business affairs of the state generally are in excellent condition, although we have just passed through one of the worst drouths the state has ever experienced, the condition of the banks was never sounder or more satisfactory, as a whole, or the prospects for the future brighter.

Our state has undergone a wonderful transition in the past twenty-five years, and though the change has been gradual, it has been far reaching in its effects, and has added to our wealth and resources multiplied millions. I refer to the change from a live stock to a farming country. Our large ranches are waning and while the live stock industry is, and will always continue to be, one of the leading factors in our prosperity and wealth, we must look to the farmer more and more for a large part of our business. While we must depend upon all of our customers and give their needs due consideration, it is the soil that is the basis of wealth, and it takes the aid of capital to improve farms, build public highways and make farm life profitable and attractive.

While the past year has not produced full activity in business, nor returns on capital entirely commensurate with investments, still labor has been fully employed at remunerative wages and smiling plenty has everywhere rewarded the frugal and industrious. The financial sky shows a clearing in all directions that gives promise of a brighter day. Hope so long deferred, since the panic a few years ago, now begins to be hope realized, and enterprise and progress begins to appear on every hand. The possibilities of the opening opportunities that surround us to-day, are quite beyond the powers of the finest imaginations to conceive.

I refer with much pride to the measure of in-

tegrity which has marked the management of our financial institutions. During the past twelve months, we have not had any failures of consequence, either in banking or commercial circles, and while the crops over the state have not been up to an average in yield, the prices paid for the products have been proportionately larger, so on the whole the returns have been highly satisfactory.

Our population for the past ten years has shown a most wonderful increase, our industries and manufacturing in all lines have developed on every hand, and our mines have been increasing and yielding treasures most bountifully, good rains have been general all over the state during the past few months, and

while there are always possible unfavorable contingencies to be reckoned with, still our prosperity to-day seems to be well laid and gives confidence for the future; there is a solid foundation on which to plan the season's trade and commerce.

While there are some questions vitally affecting the financial and commercial interests of the country generally yet to be settled, and business is hesitating in the face of tariff revision and final settlement of the Sherman anti-trust act suits, still the large credits available at the banking centers give every assurance that the situation is well and amply provided for in advance, and even though some business unsettlement may be expected, we can depend upon those charged with these affairs so to handle them as to eventually encourage business enterprise. Coupled with this is the general disposition the country over to slow down and to avoid speculation and reckless risks of all kinds, a policy which was so freely advocated by the wise ones during the latter part of our recent prosperity boom. Our people are impulsive and at times led away by the chimera of a prosperity that never ends, but they easily learn their lesson when the occasion arises, and have now settled down to the hard-pan basis of hard work, which fully brings out the saving power of the American people and will result in the saving of fabulous sums. We are not buying the expensive automobiles of the past few years, nor living as expensively in other ways as we did then, and all of these things are going to count enormously in the ultimate prosperity of our people, and the getting back to a safe and sound business basis. The country is going through a transition stage at this moment, but we are laying the foundation for

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We have some excellent offerings in country bank stocks—some on a 10% basis, which can be bought at a very close figure. Correspondence solicited.

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genuine prosperity later on. At this time wages are practically the only thing that has not taken the downward trend, and may not the solution here come through greater efficiency, rather than an actual reduction? Labor can work out this problem for itself by improving its mental attitude. Efficiency is the final test of all service. By attention and concentration, labor can produce far better results, and increased skill always commands better wages.

While there is little reason for pessimism, still the fact that we as a nation can not provide funds for our securities at a time when money is easy and accumulating at money centers, is a matter of some concern. Market reports indicate that big consignments of our stocks are weekly going to European investors. This indicates that we are still heavy borrowers, and while this, of itself, is no cause for undue alarm, still interest charges must be met, and there is a limit to the absorbent power of our nation, and while we cannot have too much capital in view of the fact that we are developing so rapidly, there is a point at which this ceases to be safe. There is danger inherent in the foreign ownership of public utilities, a danger not so apparent to us as to countries less capable of defending themselves in time of war.

Bank Examinations

The examination of banks has been brought to the attention of the bankers more forcibly in the past year or so than ever before by reason of the fact of many meritorious innovations in the manner and method of the work, and a growing disposition on the part of both the national and state departments and their examiners to work in unison to the common good of all interests represented. In the past much blame has been attached to these departments, and the examiners for not being as thorough in examinations as they should be. This blame does not rest wholly with the departments, but is largely attributable to the lawmakers. The greatest difficulty is there are not enough examiners to do the work properly

and they are not paid in proportion to the ability required for the work. The national department has recently put into practice a great many needed reforms and too much importance can not be attached to the results striven for, or the broad manner in which time honored trivial matters, which were formerly given much time and space in reports to the authorities, are left to the examiner at the time of his examination and thus weeded out and handled in a simple business way, while matters of greater importance are given more serious consideration, much to the improvement of the service rendered and to the benefit of the interests of the bank and its depositors. You gentlemen are familiar with these matters and it is not necessary for me to go into detail. The present way of paying bank examiners is

all wrong, and we should go on record and work energetically against the method of paying examiners according to the number of banks they examine. They must have time to ascertain the true condition of the banks and not be forced to hurry away before their work is done; they should be salaried like any other important officer of the government and paid according to the service they render and the ability they employ. The national banks are paying annually in tax on circulation more than the expenses of the comptroller's department. Why not use this excess to improve the service?

Postal Savings Banks

Since our last meeting the postal savings bank has passed from a theory and untried experiment to an actual working factor in our monetary affairs, and so far the results have verified the acute foresight of my worthy predecessor. He assured you last year that if the bill became a law it would not appreciably affect Texas banks, and the reports from Washington on the working of this plan fully corroborate his predictions. The results of the postal savings bank at Port Arthur for April showed a total of 38 depositors, with an aggregate deposit of \$1,017.00. The last report from the postal department at Washington, under date of a few days ago, indicate that forty-five depositors since May 1st, show four hundred accounts received, aggregating \$10,000 in deposits, and that additional postal savings banks will be designated until the system has been established throughout the United States.

The authorities seem to have analyzed the situation closely and find that practically all the deposits have come from hiding and there seems no disposition to withdraw funds from banks to place with the postal savings banks. However, should a tendency of this kind develop in some sections, it will be a long time until Texas bankers will have anything to apprehend from this source. The reason of this is, that almost anyone with a desire to place

(Continued on page 15)



W. H. FUQUA

President First National Bank, Amarillo, Texas
President Texas Bankers Association

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Taking the bank clearings of Milwaukee during the past week as evidence business is about normal in the different lines for this time of the year and will compare favorably with the same period one year ago. Manufacturers report some falling off in orders though they also claim that there is every indication of a good fall trade.

The recent decision by the supreme court concerning the Standard Oil Company has been the topic of conversation during the week and while many were of the opinion that the decision would have at least a temporary effect upon the financial situation it seems to have cleared the atmosphere and a revival of trade is anticipated.

Marshall and Ilsley Lease

The formal lease on the new Marshall and Ilsley bank property on East Water Street has been filed in the office of the register of deeds. The lease is for ninety-nine years and is dated August 17, 1910. For the first ten years the yearly rental paid by the bank will be \$7,000. The second ten years the yearly rental will be \$8,000, and beginning May 1, 1931, the yearly rental will be 4 per cent of the appraised value of the demised land without improvements, the amount not to be less than \$8,000, nor more than \$9,000, to be paid in the standard gold coin of the United States, in four equal quarterly payments on June 15th, September 15th, December 15th and March 15th of each year.

The new building will be 60x150 feet and four stories high. It will be absolutely fire-

proof throughout, including the furniture which will all be of steel. The walls and basement will be of twenty-six inch concrete and the upper stories of brick. The architectural style of the building will be Ionic. Two massive pillars of solid stone, each 56 feet high and 5 feet 8 inches in diameter will stand on either side of the front entrance which will be constructed of bronze.

The main banking room on the first floor will be 100 feet long, 55 feet wide and 36 feet high, thus giving to Milwaukee the largest banking room in the entire state. The floor will be of marble with all counters of the same material. The color scheme will be light buff, the color of the Botticello marble with which the interior is finished. All cage work and grills will be of bronze.

Attack Guaranty Bill

Addresses by M. J. Cleary of Blanchardville and Platt Whitman of Highland, in opposition to the proposed guaranty of bank deposits bill, were the main features of the seventh annual banquet of Group Two, of the Wisconsin Bankers Association held recently at Madison with 130 bankers from the southern part of the state in attendance.

The delegates were welcomed to the city by J. M. Boyd after the meeting had been called to order by President C. R. Thompson of Richland Center, who later delivered his annual address. J. J. Jamieson responded to the annual address of welcome. After Secretary Milo C. Hagan had made his report short addresses

were made by George D. Bartlett and Louis Quarles of Milwaukee.

It was decided to hold the next annual meeting at Madison. The following officers were elected: President, J. J. Jamieson, Shullsburg; vice-president, W. H. Pierstorff, Middleton; secretary and treasurer, Milo C. Hagan, Madison; members of executive committee, C. R. Thompson of Richland Center and J. H. Durst of Monroe; delegate to the state convention, C. R. Thompson, Richland Center.

Among the Milwaukee delegates present were: E. J. Hughes, assistant cashier, First National Bank; H. Williams, cashier, Marine National Bank; William M. Post, cashier, National Exchange Bank; W. L. Cheney, assistant cashier, Wisconsin National Bank; Henry C. Quarles, Wisconsin Trust Company, and George D. Bartlett, secretary of the association.

State Insurance Commissioner H. L. Ekern, who spoke on the subject of mutual insurance affecting banks said it would not be necessary to pass a deposit guaranty law if the bankers would get together and agree to help any bank in temporary distress. Senator George E. Scott, who, as a member of the senate committee on corporations, has been considering the Owen guaranty deposit bill, approved the suggestion, and said that if some satisfactory solution of the problem were not worked out by the bankers a guaranty deposit law was bound to come. Former Assemblyman M. J. Cleary, former Assemblyman Platt Whitman, Prof. W. A. Scott, of the State University and others



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The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President
F. X. BODDEN, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch
J. H. TWEEDY, Jr.
GUSTAV RUESS

J. H. PUELICHER, Cashier
H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

spoke against the enactment of a deposit guaranty law.

Another New Milwaukee Bank

The northwest side of Milwaukee is to have a new savings bank. This was made public on Tuesday of last week when State Banking Commissioner A. E. Kuolt approved the incorporation of the Wisconsin State Savings Bank of Milwaukee with a capital stock of \$50,000. The incorporators are T. C. Esser, Gottlieb Wirth and Dr. William Heitmann.

"Although plans have not yet been completed for the new building which we will erect," said Mr. Esser, "we have a site selected and shall commence work on the structure in the near future. We expect to open the bank in the early fall and shall make a special effort to cater to the residents and merchants of the northwest side of Milwaukee."

Wisconsin Banking Notes

John J. Sherman, cashier of the Citizens National Bank of Appleton, has returned from a trip to the South during which he attended the meeting of the executive council of the American Bankers Association at Nashville. He reports business in the southern states as quite brisk, the demand for money strong and rates remunerative.

Articles of incorporation have been issued for a new state bank at New London to be called the Farmers State Bank. The capital will be \$25,000. The incorporators are Giles H. Purnam, Jacob Werner and John Jennings.

O. W. Sprecher, who was instrumental in founding the Farmers State Bank of Norwalk and who has held the position of cashier since its organization three years ago has resigned and will be succeeded by M. O. Heffernan who has been principal of the Norwalk schools for several years.

State Banking Commissioner Kuolt has issued a charter to the Bank of Somerset with a capital of \$10,000. S. Parnell is president and H. A. Lagranuer, cashier.

A state bank was recently organized at Patch Grove. The officers are: President, Fred Booth; cashier, R. F. Loftus.

The First National Bank of Milwaukee has accomplished the increase of its capitalization from \$2,000,000 to \$2,500,000 as authorized at the annual meeting of the stockholders on February 21st. All the stock of the First Saving and Trust Company is now owned by the

stockholders of the First National Bank. A special dividend is to be declared out of the undivided profits and the stock will then be held by trustees for the benefit of the stockholders of the bank. The present directors of the First National Bank become directors in the trust company.

The directors of the Bank of Sun Prairie at their recent annual meeting declared a dividend of 13 per cent. The large dividend of the bank is chiefly owing to its careful and conservative management and its having no losses during the past year. At a meeting of the stockholders of the Bank of Tomah the capital stock of the bank was raised to \$25,000 with a surplus of \$5,000.

The stockholders of the West Side Bank, Milwaukee, have recently voted to increase the capital stock of the bank \$100,000, making the total capitalization \$200,000. Ninety-seven per cent of the stock was represented at the meeting. It also was decided that every stockholder should have the right to subscribe to an amount of the new capital equal to that he now holds.

TENNESSEE BANKERS MAY 29th AND 30th

Invitations are out in neatly engraved form for the Tennessee convention at Nashville, May 29th and 30th. "You are invited."

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Convention Dates

OKLAHOMA—Oklahoma City, May 22 and 23; Secretary, W. B. Harrison, Enid.

MISSOURI—Kansas City, May 24 and 25; Secretary, W. F. Keyser, Sedalia.

KANSAS—Kansas City, May 24 and 25; Secretary, W. W. Bowman, Topeka.

TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

MASSACHUSETTS—Swamscott, June Secretary, G. W. Hyde, Boston.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

GEORGIA—Tybee Island, Ga., June 8 and 9; Secretary, L. P. Hillyer, Macon.

WEST VIRGINIA—White Sulphur Springs, June 11 and 12; Secretary, J. S. Hill, Charleston.

IDAHO—..... June 12, 13 and 14; Secretary, L. A. Coate, Boise.

MICHIGAN—Detroit, June 12 to 17; Secretary, H. M. Brown, Detroit.

PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

ILLINOIS—Springfield, October Secretary, R. L. Crampton, Chicago.

NATIONAL CONVENTION—American Institute of Banking, Rochester, New York, Sept. 7, 8 and 9.

Bank of British North America has opened a subbranch at Reihn, Saskatchewan.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

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J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, May 18.—Outside of a further slight improvement in the demand for funds from the Southwest, the week developed absolutely nothing new in the monetary situation here. Bankers are pretty unanimous in the opinion that nothing like a revival may be looked for before the end of August. The local commercial demand is routine in character, being in all respects seasonable, and relative to the rather quiet conditions in all commercial lines. Wants of brokers were a shade broader, but not sufficiently so to cause any quotable change in the rates prevailing. Leading banks report ample funds and heavy reserves with deposits holding their own exceptionally well for this season of the year. Collections, both city and country, are reported as being for the most part satisfactory. Country merchants are meeting their obligations promptly, which is taken as an excellent indication of the basically strong conditions existing in this region. A factor of hopefulness is the continued brilliant crop outlook.

Enormous Gathering Expected

Secretary W. F. Keyser, secretary of the Missouri Bankers Association, says that acceptances and advices from all over the state, indicate that the convention of Missouri bankers at Kansas City next week will be the largest in the history of the association. Important matters which are to be taken up are attracting many members, while others are taking advantage of the meeting to look Kansas City over, and enjoy the festivities, which promise to be a card. The railroads have granted an open rate of 2 cents a mile in either direction from points in Missouri to Kansas City and return. Mr. Keyser, in his circular, urges that all delegates attend all sessions and remain throughout. The sessions will be dismissed promptly on schedule time, giving ample time for social features, without conflicting with the business part of the convention. Mr. Keyser says that it is too often true that only a few remain for the election and installation of officers. This is always an interesting feature, and he hopes a large attendance will welcome and encourage the incoming officers when they are installed. The Kansas City bankers intimate that they intend to whoop things up in the entertainment line.

Wagner Electric Increase

The Wagner Electric Manufacturing Company, one of the most important industrial concerns of this city, has announced that it will increase its capital stock to \$1,500,000. The additional capital, \$300,000, will be devoted to trade expansion, but it is also likely that the plant will be enlarged. The plan is to issue the

stock to the shareholders at par. Payments are being made now, but the scrip will not be formally issued until October. St. Louis has made signal gains during the past few years in the manufacture of electrical machinery, apparatus and supplies. The Wagner company was one of the pioneers in the field, was financed entirely by local capital and is almost entirely owned in St. Louis.

ST PAUL AND MINNEAPOLIS

The South Side State Bank at its first meeting in a new banking house voted to increase capital to \$150,000 and to keep \$50,000 in the surplus. O. Erling Olsen and H. F. Rosing, assistant cashiers, were elected directors. Other directors are F. E. Kenaston, president; A. M. Woodward, vice-president; A. A. McRae, cashier; P. Olsen Earl, John Lind, Hasn Simonson, E. A. Woodward, and J. D. Holtzermann, who died this week in Italy. The bank building has a stucco finish, a mahogany finished entrance with white marble trimming. Georgia marble rose tinted forms the walls, and the pillars are of Grecian marble.

Blake Brothers of Boston have refused the issue of \$150,000 Minneapolis park bonds whose attorneys hold that the 1909 law supersedes the 1907 law under which the bonds were issued. Under both laws the board could issue only \$350,000, the attorneys say, which amount has been reached previous to the proposed \$150,000 issue. The park board attorney is asked to give an opinion.

Frank Corey of Fort Dodge, Iowa; John Knecht of Colome, S. D.; W. S. Ayers and Orville Bowersox of Dallas, S. D., have bought the Bi-metallic Bank of Colome from L. W. Marley and Charles Marley. Mr. Corey was elected president, John Knecht the vice-president, and Orville Bowersox cashier.

The State Bank of Halma, Minn., has incorporated at \$10,000. Incorporators are L. C. Simons of St. Paul, R. G. Tweeton of

Barnesville, Minn.; Albert Bachum, Ole Folland, J. O. Folland, T. L. Spied, H. H. Moen, John Holen and Alfred Anderson of Halma.

C. W. Rowley has been appointed superintendent of the Winnipeg branch of the Bank of Commerce.

The St. Paul assembly has voted to authorize the water board to issue \$100,000 additional bonds. The ordinance must pass the board of aldermen.

Instead of accepting a renewal of the offer of the First National Bank of \$100 a semester for the best writing in Minneapolis schools, in existence two years, the supervisor is making a big exhibit of commercial and other writing. The supervisor felt that with the bank prizes the pupils slighted other work in the schools.

First district bankers in Minnesota will meet June 5th and 6th at Winona. A river excursion will be given the first night. An interesting address will be made by C. B. Hazelwood of the Union Trust Company, Chicago, on "Bank Advertising," Tuesday morning. The entertainment committee is A. Temm, S. A. Steffen and W. H. Mahl.

Early group meetings of the Minnesota Bankers Association were May 16th at Hastings, Group Three; and May 18th at Montevideo, Group Seven. Among those attending were Stanley Bezoier, assistant cashier of the Security National; P. G. Leeman, assistant cashier First National, Minneapolis; and R. E. Macgregor, assistant cashier of the Northwestern National.

Pike will be served attendants at the Minnesota Bankers Association dinner June 21st at Bemidji. Convention speakers will be Dr. G. E. Vincent, president of the state university; Former Congressman J. A. Tawney of Winona; The dinner will be served on the bank of Lake Bemidji. Bankers from the East will leave Minneapolis the night of June 20th. In the morning they will be taken for an automobile ride and for a launch ride on the lake. The business session will be at 11 A. M. An entertainment will follow the dinner. The addresses will be delivered in the evening. A moonlight ride on the lake will follow and a visit to the saw mills. At 2 A. M. the following day a start will be made by special train for International Falls where the paper making plant of the Minnesota & Ontario Power Company will be inspected. The Bemidji entertainment committee consists of W. L. Brooks, Northern National Bank; R. H. Schumaker, First National Bank; H. C. Baer, Security State Bank, assisted by G. D. La Bar of the First National Bank of Brainerd, and H. L. Wood, a banker at Warren.

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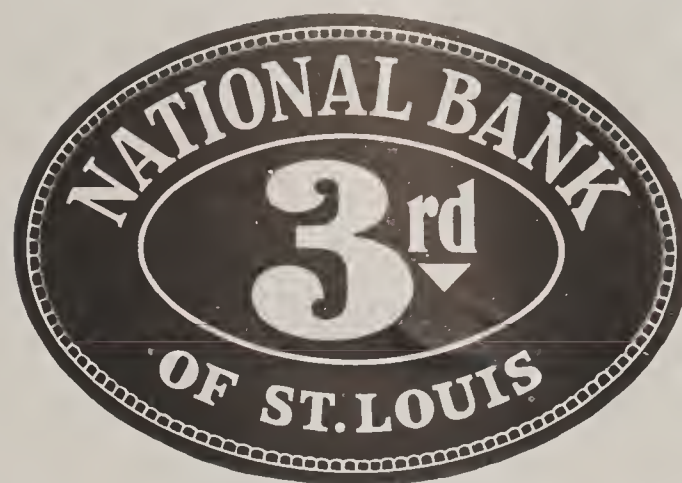
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George M. Hard	- - - Chairman	Henry L. Cadmus	- - Assistant Cashier
Frank J. Heaney	- - Vice-President	Norborne P. Gatling	- - Assistant Cashier
William H. Strawn	- - Vice-President	Walter B. Boies	- - Assistant Cashier
Alfred M. Bull	- - Vice-President	Henry C. Hooley	- - Assistant Cashier

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG	- - - President	J. R. COOKE	- - - Cashier
G. W. GALBREATH	- Vice-President	D'A. P. COOKE	- - Assistant Cashier
R. S. HAWES	- Vice-President	H. HALL	- - Assistant Cashier
T. WRIGHT	- Vice-President	E. C. STUART	- - Assistant Cashier

CANDIDATE FOR ILLINOIS TREASURERSHIP

The friends of David A. Wyckoff, cashier of the First Trust and Savings, Alton, have suggested his name as a possible candidate for treasurer of the Illinois Bankers Association. The historians of the society fail to find where Alton ever has held any executive office in the history of the organization. Mr. Wyckoff is an active and influential member of the society, has had good banking experience, having been cashier of the Alton Banking and Trust Company for a number of years before the establishment of the First Trust and Savings. His name being the first one to be announced in this connection it is a good bet that his friends will make a good showing for him.

W. G. Edens who has been mentioned for the place is said to have declined to consider it and to have spoken favorably for Mr. Wyckoff.

WILL HEAR NOTED BANKERS

Nashville, Tenn., May 18.—The Tennessee Bankers Association will meet in this city May 29th and 30th in annual convention, the Aldrich plan being the principal topic for discussion. At least 600 persons are expected to attend from over the state. Hon. John Perrin, of the Fletcher American National Bank of Indianapolis, will deliver an address on "The Aldrich Plan for Monetary Legislation." William Livingston, of Detroit, will speak on the "American Bankers Association."

The convention will be called by D. M. Armstrong, president, cashier of the Commercial Trust and Savings Bank, of Memphis. Hon. Ben W. Hooper, Governor of Tennessee, will deliver the address of welcome. The Nashville Clearing House will arrange several entertainment features.

THE OPENING BATTLE NEXT WEEK

The opening battle for the National Reserve Association plan will come off in Chicago next week. D. R. Forgan will preside at the Wednesday luncheon of the Ways and Means Commission of the Chicago Association of Commerce, and George M. Reynolds will talk. At the LaSalle Hotel.

OFF FOR EUROPEAN TOUR

George F. Orde and E. C. Cooke, Minneapolis bankers, are on the way to Europe for a couple of months' recreation.

BUYS OLD FAIR GROUND SITE

J. W. Crabb, president of the Tazewell County National of Delavan, has bid off at public auction the fair grounds of the old Tazewell County Agricultural Association of Delavan. Mr. Crabb held a mortgage against the association for \$6,375. This action will probably terminate the "fair" at Delavan which has been held annually since 1879. The passing of the "county fair" in Illinois is an interesting phenomenon and before many years most of them will have closed their affairs. Many of them degenerated into mere racing contests and the agricultural interests were lost sight of in the display of sport. Many bankers can tell interesting stories of aiding in handling gate receipt money at these old-time fairs and in keeping fair officials, stand-keepers and fakirs supplied with change.

HOW WE LOST A CUSTOMER

The Woodruff Safe Deposit Company of Joliet has sent out a neatly bound booklet of some pretensions as to cover and design, entitled "How We Lost a Customer." Inside, bound in heavy mourning rules, are the two words, in large type, "He Died."

ACTIVE BOND BUSINESS

Chicago financial houses report an active bond business, with good prospects for this class of securities while money remains easy.

CHICAGO UNLISTED SECURITIES

Among the more active unlisted securities quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK
American Chicle (com).....	238	245
American Chicle (pfd).....	103½	106½
Am. Fork & Hoe Co. (com).....	128	135
Am. Fork & Hoe Co. (pfd).....	124	127
American Laundry (com).....	36½	37½
American Laundry (pfd).....	107½	110
*Am. Light & Tract. (com).....	292	295
*Am. Light & Tract. (pfd).....	105	107
Amer. Type Fd's (com).....	51¼	52¼
Amer. Type Fd's (pfd).....	100½	102
Beatrice Creamery (com).....	96	98
Beatrice Creamery (pfd).....	89½	90½
Bordens Cond Milk (com).....	123½	125
Bordens Cond Milk (pfd).....	108½	109½
Butler Bros.	289	291
Cities Service (com).....	68	69
Cities Service (pfd).....	78½	79½
Congress Hotel (com).....	70	76
Congress Hotel (pfd).....	59	61
Creamery Package Co.....	100¾	102
Cumberland Tel. Co.....	150	153
Diamond Rubber Co.....	273	275
Elgin National Watch.....	157	163
First State Pawnors.....	112	116
General Motors (com).....	36¼	37
General Motors (pfd).....	79	80
National Grocer (com).....	25	27
National Grocer (pfd).....	81½	82½
National Safe Deposit Co.....	145	
N. W. Gas Lt. & Coke Co.....		96
North Shore Electric Co.....	95½	96½
Northwestern Yeast Co.....	370	375
Union Carbide Co.....	112	113
U. S. Gypsum (com).....	11	12½
U. S. Gypsum (pfd).....	76½	78
U. S. Motor (com).....	39½	40
U. S. Motor (pfd).....	79½	80½
Western Electric Co.....	218	224

Miscellaneous Bonds

Auditorium 5's (1929).....	92	94
Auto Elec 1st 6's (1928).....	76	78½
Chicago Athletic Club 5's.....	93½	95
Chicago & Milwaukee Elec 5's (1922)....	50	53
Chicago Sub'y 1st 5's (1928).....	25½	26½
Cicero Gas 5's (1932).....	94½	95
Congress Hotel 1st 5's.....	93	95
Dering Coal 5's (1955).....	34	36
Emp Dist Elec 5's (1949).....	78	82
Ill. Athletic Club 5½'s.....	91	92
Interstate T. & T. 5's.....	50	51
La Salle Hotel Co. 6's.....	98	99½
North Shore Elec 5's (1940).....	98½	98½
N. W. Gas Light & Coke 5's.....	99	99½

*Ex. Dividend.

Cashier Henry Green of First National Bank, Sterling, Ill., was a caller at First National in Chicago the fore part of the week.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

If there is any financial uneasiness in other quarters it is not felt by Drovers' National of the Kansas City Stock Yards. At least that is the expression of H. L. Jarboe, Jr., president of the Drovers' who has good reason to feel enthusiastic over the outlook. When Drovers' National Bank of the Kansas City Stock Yards was reorganized January 10, 1911, there was brought to it strong financial and packing interests that gave assurance of rapid growth. At that time Mr. Jarboe, Jr., became its president. The success that this bank met was astonishing even to those most familiar with conditions. On May 10th, just four months after the reorganization an accounting was made which showed that the deposits had increased from half a million dollars to one and a quarter millions and the daily record shows that this increase is keeping up.

At the May 10th meeting of the directors of the Drovers' National Bank of the Kansas City Stock Yards, J. M. Hellings, Jr., was elected cashier. Mr. Hellings is only 30 years of age but he has had valuable experience in the banking business, having been cashier of the Coats State Bank of Coats, Kan., and president of the Citizens State Bank of Pratt, Kan. I. E. Gaskill, formerly assistant cashier of the Oklahoma National Bank of Chickasha, Okla., was elected assistant cashier of the Drovers' National. The other officers are: H. L. Jarboe, Jr., president and Charles E. Waite, vice-president.

Professional Organizing

In order to stop the practice of organizing banks for the sole purpose of selling stock and affording positions for the promoters at good salaries, or to sell the franchise and organizing

competing banks at a profit, J. N. Dolley, state bank commissioner of Kansas will enforce some stringent measures. "Before granting permission to organize a state bank," says Mr. Dolley, "satisfactory evidence of the need of such an institution in the locality must be furnished the department. When this is done it must be shown that no salaries, commissions, perquisites or compensations of any kind have been paid or will be paid for the expense of organization, soliciting sale of stock, services rendered or promotion of any kind or character."

Southwestern Miscellany

Secretary Royse of the Nebraska state banking board has construed the section of the bank guaranty law relating to bonds for employees of banks as discretionary and not mandatory. He has received many letters from bankers indicating that bond and surety companies have stated that employees must furnish bonds. Whenever bonds are written they must be filed with the secretary of the state banking board of Nebraska.

The Miami State Bank of Miami, Okla., has filed application for nationalization. The new bank will be known as the Ottawa County National Bank and will have a capital of \$50,000 and surplus of \$10,000.

J. D. Lankford, state bank commissioner of Oklahoma, has followed the example of Commissioner Dolley of Kansas, in establishing a bureau for giving information as to the financial standing of companies whose stock is offered for sale in Oklahoma.

W. H. Seeger, who has been associated with various Kansas City banks for forty years, and who is now one of the vice-presidents of the

National Bank of Commerce, has resigned and will take a long vacation. No man in Kansas City is better known than Mr. Seeger. As a boy he went to work in the bank of J. Q. Watkins and Company. When that bank was absorbed by the National Bank of Kansas City he went with that concern, remaining there until 1882 when he was one of the organizers of the Citizens National Bank which was merged into the Union National in 1898. The Union National was bought by the National Bank of Commerce in 1908 and Mr. Seeger became one of its vice-presidents. Mr. Seeger's resignation will take effect July 1st.

W. H. Phillips, former cashier of the First National Bank of Vinita, Okla., has been found guilty of falsifying a bank statement. He will appeal.

J. R. Dominick, president of the Traders National Bank of Kansas City, has been on an extended business trip through the South.

GROUP FOUR, ILLINOIS

Group Four, Illinois, will meet in Evanston (Patten Gymnasium) on June 29th with a "home talent" program. There will be a luncheon and a sight seeing trip in autos.

That the California Safe Deposit and Trust Company will reopen its doors on July 1st is the expectation of the local depositors' committee, based upon reports from New York that the work of reorganization had been completed there and financial backing assured. The law firm of Joline, Larkin & Rathbone of New York authorized a statement that plans for the reopening of the institution had been completed.

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TEXAS BANKING CONDITIONS

(Continued from page 9)

his savings can get a better rate of interest from his bank and other sources in the state. Furthermore, the banks generally are encouraging this class of depositors and carrying on a campaign of advertising and getting in closer touch all the time with the small producer and wage earner. As the right kind of confidence displayed by the banker begets confidence, the people as a whole are growing to look with increasing confidence on the banks and coming to recognize them as a most useful factor in the upbuilding of their communities, and necessarily worthy of their confidence and patronage.

The Usefulness and Opportunity of the Banker

I am speaking this moment to a body of men who represent and control more available wealth and capital perhaps than any organization that ever met on Texas soil. We meet here at an hour when the thought of the American people is in a ferment over the problems connected with the wise regulation of moneyed institutions. We are a part of the life of the American Democracy of States. It is our privilege and our duty to contribute to the just solution of these problems, which have, we may frankly admit, produced widespread disquietude in the public mind. I have an abiding faith in the ultimate wisdom and justice of the American people. I believe with that eminent scholar and profound publicist, Governor Woodrow Wilson of New Jersey, that wealth does not create public distrust or public jealousy; that the masses of men in this country honor in their fellows that large economic power that enables them to acquire wealth in a legitimate way, and use it in the way of large service. To relieve the tension of the public thought upon this question, we have simply to convince our fellow citizens that organized wealth does not mean a selfish combination of power for private gain at the expense of the public good; that large aggregations of wealth exist because the vast enterprises called forth by our unparalleled economic conditions and opportunities demand them; that behind these great capitalistic institutions lies the need for the service which they alone can render; that their purpose is constructive and not destructive; that the changed conditions which have called them into being are world-wide and resistless as the ocean floods; that they can be used without being abused; that rightly used they can and will contribute immensely to the larger life

that is upon us; that the duty of the hour is to adjust ourselves to this oncoming larger economic life instead of trying to resist it. What we need in our public life is a broad constructive statesmanship with large powers of initiative, capable of grasping the full force of the great dissolution of old conditions and the breaking of the new day. We need now as we never needed before in our public life men who can direct us in the great task before us of bringing forward all that is best and most enduring in our past ideals and conditions and organizing them into the larger ideas and broader principles demanded by the present hour. Thus we shall build together our glorious past and our greater future, and the wealth of our country shall stand with beneficent rather than selfish ends as the star of its hope and purpose and grandly lead the happy millions of our countrymen to the realization of a worthier and better and larger life in that new and brighter and greater day for ourselves and for the world whose dawning even now begins to adorn the eastern horizon.

Association, Prosperity, Etc.

The association has prospered during the year just passed. There has been a satisfac-

tory increase of membership. Few, if any, have allowed their membership to lapse. Our treasurer's report shows a strong condition, and in fact, the business of the association is in a flattering state of prosperity.

Full reports of the work of the various committees will be submitted, and I think the results of their labors worthy of much consideration and due appreciation.

I want to thank each and every member of the different committees for the efficient and faithful service rendered whenever and wherever called upon, and I desire especially, to thank our capable and worthy secretary for his able and untiring co-operation upon all occasions.

The group meetings have become a most useful and pleasant feature of the machinery of the association and are productive of great good that could not otherwise be accomplished. Some few have been disposed to shrug their shoulders and say these meetings are only an excuse for a junket. No intelligent man can attend these meetings, experience the feeling of good fellowship they generate and enjoy the uplift they give without realizing that they are important and wholesome factors in achieving the great work designed by the organizers of this association, and so gloriously carried out during its twenty odd years of expanding growth and usefulness.

DETROIT BANKER IN CHICAGO

President J. H. Johnston of Peninsular Savings Bank, Detroit, was a caller at Fort Dearborn National Tuesday. He reported that Detroit had recovered from the trade depression and was enjoying the usual activity in all lines of business.

WHEAT TRADE SENSITIVE

Fear of dry weather and knowledge that there are large holdings of the May option have been important influences in the wheat market this week. May has hovered around 95 cents and July, 89. Corn is 52 to 53 cents.

CALIFORNIA TRIP

Charles Fernald of Fort Dearborn National is among those who will make the California trip at the time of the state convention at Lake Tahoe in June.

President William A. Tilden of Fort Dearborn National has been in New York on business this week.

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Editorial Comment

FAITHFULNESS OF DIRECTORS

The New Jersey convention had a treat in a splendid paper by Edward T. Perine, a famous professional accountant and banker combined. Mr. Perine is a vice-president of the Windsor Trust, New York, and for a time was deputy comptroller of the state of New York. One of his hobbies, naturally, is thorough supervision by examination under the strict rules of scientific accountancy. His topic touched upon some standards for examination of banks by directors. He made it pretty plain that there is no lack of warrant by law, for directors to keep posted, neither has the law been lax with negligent officials. Mr. Perine quoted the famous decision by the late Chief Justice Fuller in support of his own position of accountability by directors. The Fuller decision reads:

"We hold that directors must exercise ordinary care and prudence in the administration of the affairs of the bank, and that this includes something more than officiating as figureheads. They are entitled under the law to commit the banking business, as defined, to their duly authorized officers, but this does not absolve them from the duty of reasonable supervision, nor ought they be permitted to be shielded from liability because of want of knowledge of wrong doing if that ignorance is the result of gross inattention."

It was shown that the New York state law is very explicit and the instructions of the state banking department very clear. Yet the Carnegie episode and others of recent occurrence shows something to be wrong. Mr. Perine points out one weakness of the situation. "As a professional accountant, I have been present at a great many different directors' examinations, not only in New Jersey and New York, but in other states. At such times it has often seemed to me that the committee must have been chosen from among what might be called 'old hands at the business,' rather than according to the principle of rotation in appointments. Again it has sometimes seemed as though the officers of an institution, while outwardly attentive and disposed to grant reasonable facilities to a committee, are in reality more or less bored by the committee's presence. There is a feeling, not always fully concealed, that the deliberate gentlemen who have come to visit the bank are to be tolerated, rather than helped to the utmost in their unaccustomed task. There is too often a willingness either to 'get them to hurry up,' or else to 'let them find things out for themselves,' instead of a patient, helpful effort to join with the examiners in securing a critical study of conditions and methods, and so secure a full report from which no doubtful item of value, or unsettled statement of fact, shall have been omitted."

These observations read like true, and are an indictment of the intent of the bank officers concerned. Do bank officers assist or resent examinations by the directors' committees?

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

This is a very significant question. Mr. Perine says that his "observation has been that directors generally know what to look for in a bank, provided only they are given clear, complete data, in substantially the form a professional examiner would prepare, with a basis for checking details instead of handling them. Some officials I know of are fully co-operating with their examining committees, and aiding them in these particulars. Is it not fair to expect all to do so? Ought committees ever to be asked, 'Do you want a statement of this thing?' or 'Will you want to bother to look into that thing?' Assuredly not, if the work of directors is to have an adequate value."

The speaker said he hoped all cities would follow New York in its adoption of the famous Chicago plan of clearing house examination and control, and that other states would adopt the New York state plan defining the duties of directors and of filing their reports with the state. Directors should be earnest and painstaking and never perfunctory. The responsibility is great and calls for alert, intelligent activity.

POINTS IN OIL TRUST DECISION

The United States supreme court holds:

That the Standard Oil Company is a monopoly in restraint of trade.

That the giant corporation must be dissolved within six months.

Corporations whose contracts are "not unreasonably restrictive of competition" are not affected.

Other great corporations whose acts may be called into question will be dealt with according to the merits of their particular cases.

The court was unanimous as to the main features of the decision, Justice Harlan dissenting only as to a limitation of the application of the Sherman anti-trust law.

President Taft and cabinet will consider immediately the entire trust situation and the advisability of pressing for a federal incorporation act.

Progressive members of congress plan movement for speedy legislation which will prohibit "all combinations in restraint of trade" regardless of question of "reasonableness."

A decision in the tobacco trust case, which was expected, was not announced and may be handed down on May 29th.

GROUP SYSTEM PROPOSED FOR FLORIDA

In his annual address at the Ocala convention, C. W. Lamar, president of the Florida association, gave a large share of his time to a discussion of the benefit of the group system of organization. Mr. Lamar, a wise and conservative banker, told his fellows he had been watching the development of the group plan in other states and that he most heartily could recommend it. Further he said:

"Especially should it appeal to Florida bankers, the state being so peculiarly situated geographically. There are a great many benefits to be derived in having meetings in different parts of the state. I also strongly advocate the establishment of credit departments in the clearing house cities and in the groups, in this way reducing to a minimum the risk and the loss where large lines of accommodation are extended by a number of banks to the same borrower. The plan is simple. In brief, loans exceeding a stated amount are reported to the clearing house or group, and the borrower is charged with the same, without, however, any mention being made of the bank making the loan. Any member may have access to the loan book at any time and all times, and may without the knowledge of the manager examine the records and judge for himself whether or not further advancements are warranted. The only information disclosed by the records is the total amount loaned to such borrower by the members of that clearing house or group. Such a plan would prevent borrowers who have had extended to them by their own bank or group as much accommodation as they are entitled to from imposing on the claim of the bank which first accommodated them without giving that bank notice. Thoroughly organized groups and clearing house cities could in this way become acquainted with the needs of commercial and other houses, and, if at any time in the market for commercial paper, could invest at home instead of sending off for the same."

The plan of operating group credit bureaus and special bank examinations is being worked out in several progressive states and some day must prevail in all states. Country banks require an exchange of credit data quite as much in proportion to the sums involved, as do the big city banks. Once their big city cousins would not exchange information of this kind but now it is a tenet of their daily religion. Mr. Lamar also showed his wisdom and breadth by putting in a strong plea for a greater membership in the A. B. A., to give Florida more prestige in the upper circles. It was a model address by a model banker and association official.

The Bank of Africa announces that a branch has been opened at Douglas, Cape of Good Hope.

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The New Jersey System of Group Bank Examinations

The problems of the banker in these busy days of rapid development are very different from what they were one hundred, fifty, or even twenty-five years ago. Conditions in this country are also very different from what they are in other countries. This is especially true as far as it relates to bankers in extending credit to borrowers. Years ago the matter of making a loan from a bank was regarded as of very considerable importance, and the problems connected with the duplication of credits were not apparent. The banker and the borrower are jointly responsible for a decided change in banking methods in recent years, for it is certainly much easier to establish a line of credit with banks nowadays than it was years ago.

In your state, with its many small cities, and the rapid growth of both large and small enterprises, it has been found hard for some of your banks to keep close track of their loans. A borrower can so easily borrow from two or three banks in the same city, or from banks in the nearby towns.

The bankers of Group One of your association have, for a number of years, observed the development of this danger, and recently they have taken a most progressive step in the direction of reducing risks that arise from the duplication of credits as far as local borrowers are concerned. In devising a plan to solve this difficulty, they have very wisely combined with it a plan for the private examination of the banks in the group. These examinations are to be conducted along lines very similar to those that have been adopted in several cities where clearing house examiners have been appointed. It is also hoped that the plan devised

By Andrew A. Benton, New York

will assist materially in keeping the directors informed in regard to the condition of the banks, and also enlist their more active support in supervising their affairs.

The first step taken to carry out this plan for the exchange of credit information and the examination of the banks was to make a contract with a firm of chartered accountants. The selection was made with great care, for it was arranged that the accountants were to act as the medium through which information regarding the duplication of credits was to be obtained and distributed. The association kept continually in mind the fact that every possible precaution must be taken to prevent any abuse of the privilege thus accorded the banks.

The arrangement provides that whenever any bank desires to ascertain the amount of the obligation of any borrower to the other banks, the inquiring bank shall fill out a form addressed to the accountants reading as follows:

Dear Sirs: Under the agreement between certain members of Group One of the New Jersey Bankers Association and yourselves, please furnish us in confidence the aggregate liabilities to all contracting members of said group, of the parties named below.

In making the request the inquiring banks state the amount of the borrower's obligation to them. Upon receiving the inquiry, the accountants at once send another form to the various members asking them to state the liability of the borrower to their bank. Upon receiving their replies, the accountants combine the

amounts, and the inquiring bank is furnished with the total obligation of the borrower to all the banks. In no case are particulars given regarding either the amounts or names of the individual banks to whom the borrower may be obligated. The inquiring bank, upon ascertaining the total obligation, can take the matter up with the borrower as it sees fit. Regular forms for all of this work are provided, so that there is very little work entailed on the part of any bank.

The other provision of the plan is for the accountants to make a thorough examination of the affairs of each bank which has entered the arrangement. This consists of an examination of the balance sheet, but it is left to each individual bank to decide as to whether or not they desire to have the individual accounts and the loans verified by communicating with the customers. The accountants have a staff of experienced bank examiners and are thus enabled to insure, to even the smallest bank, the very best of service. The reports can be depended upon as being absolutely impartial and independent. The examiners are bound by an oath of secrecy, and every possible precaution is taken to keep all matters in connection with examinations absolutely secret and confidential.

During the progress of the examination, the examiner meets with the audit committee or, if they or the officers so desire, with the full board, and goes over the loans with them. This plan is favored by many officers in order that the executive committee and directors may feel assured that they are familiar with all of the loans and investments of the bank. Upon completing the examination a full report

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INVESTMENT SECURITIES

is prepared by the accountants covering every detail of the examination. This report is delivered to the president of the bank, and contains a blank page upon which the directors are to sign their names, certifying that they have read the report. Brief recommendations for improvement in the bank's system and records are also included in the reports.

Group One comprises the banks in Middlesex county, and includes such cities and towns as New Brunswick, Perth Amboy and South River. The organization is similar to that which prevails in many of the state bankers associations throughout the country, but it does not include the powers usually given to clearing house associations and, therefore, the accountants do not report their findings to any committee of the group. The reports go only to the bank, and are for the inspection of the directors.

In inaugurating their plan, the group has not in any manner attempted to compel the bankers in the group to enter the arrangement. They have taken the wisest possible course in seeking at the start to establish to the satisfaction of all the desirability of the exchange of credit information and the value of the examinations. On account of a number of bankers entering the arrangement, the expense of an examination is considerably less for each bank than it would be if separate examinations were arranged for with the accountants.

As the system is developed and established, it will have a strong tendency to lessen unsound and dishonest banking methods, and in time of panic it will enable the bankers to act together. If, at any time, a stronger organization is desired, somewhat similar to that of a clearing house, proper rules can be adopted, and the exact condition of each bank can quickly be ascertained by the accountants and the proper information furnished to the central organization. During panic conditions, if a bank undergoes an examination, it is sometimes regarded as an evidence of weakness; but under the arrangement adopted by Group One the public will not feel the slightest alarm on account of an examination, because they will know that it is being conducted in accordance with the arrangements of the association, and has been made many times in the past.

In this country we have an independent banking system, and it seems to suit our ideas better than the branch bank plan; but we must not overlook the fact that our system has

serious weaknesses. We all know the strain on the resources of a bank when a run is started, whether it be in time of panic, or when some false rumor has gained circulation. At such times, it would be most desirable if we had some kind of a central organization. The Aldrich plan, which is a most comprehensive scheme, seems to be meeting with general approval, and if adopted it will, no doubt, add greatly to the strengthening of our system.

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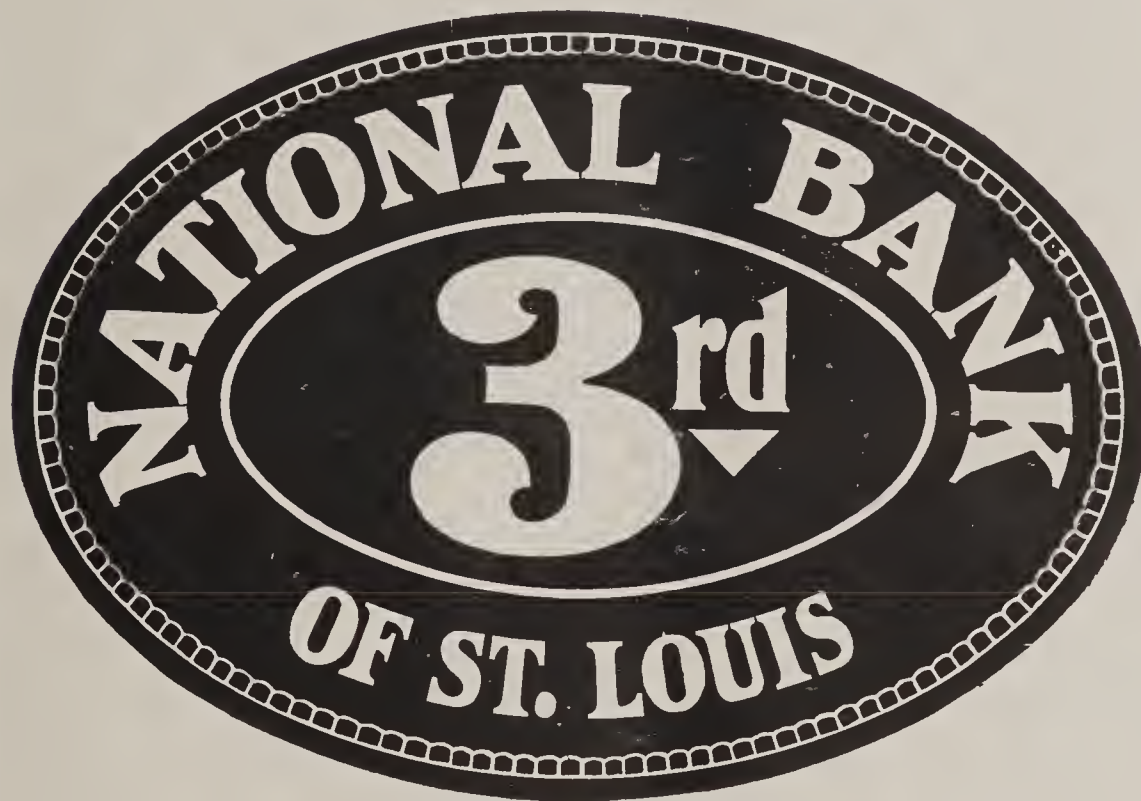
Banks sometimes close on account of bad management and, under these conditions, the depositors often think they are bearing the burden of the community but, I am sure, you will all agree that the sound and entirely solvent banks bear their full share of the burden when a badly managed bank fails. All of these points emphasize the desirability of bankers combining to protect themselves. The time is past in this country when a bank in any community can, on account of its own strength and good management, look with indifference on the methods of unscrupulous bankers.

It is, therefore, seen that one of the most, if not the most important essential in making this or any similar plan pre-eminently successful is the securing of the combined support of all the banks. Bankers have been, and should continue to be punctilious in keeping strictly confidential the affairs of their customers so far as relates to their deposit balances, and information in regard to their loans should only be given to those who are entitled to receive it; but they are not justified in carrying this point to the extent of refusing to co-operate in the exchange of credit information. Bankers are fast coming to realize that if their loans are good there is no risk in submitting them to the inspection of proper authorities. In the cities, where there are clearing house examiners, the bankers most willingly co-operate with the examiner and present to him all the facts in regard to the loans, because they know he is working for their interests and, if possible, will save them, as well as the other interested banks, from loss.

The adoption of this plan by other groups situated similarly would do much to raise to a still higher plane the banking business of the country, and would be a lasting benefit to the public. It would also encourage borrowers to employ chartered accountants to certify to the statements which they submitted to their bankers, for if the bankers show they are willing to have their records and loans inspected, there would be no excuse for concerns which float their paper through note brokers not submitting to a correspondingly rigid inquiry. If the borrower would, in addition to the examination, register his paper, he would not only receive the praise of the banking public, but he would find his paper in such demand that he would have no trouble in securing the best terms in the market.

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CAPITAL	-	-	\$2,000,000
SURPLUS	-	-	2,000,000
DEPOSITS	-	-	35,000,000

Successful Country Bankers

W. O. Jones of the National Park, New York, tells the Texans at Dallas convention his prescription for the ideal country banker

The "city" banker has been a favorite theme for many years. His victories have been portrayed in vivid and glowing colors; his patriotism has been elevated for the edification of coming voters; his public spirit and interest in the welfare of his community have been rehearsed in eloquent terms; his co-operation in matters religious and charitable has been the occasion of frequent encomiums in press and pulpit. Now, it appears to me, therefore, that the present is an opportune moment in which to bring the "country" banker into the limelight of publicity. After all, the difference between the country and the city banker is not so great as might at first appear. In most instances, the city banker is simply the country banker come to town and adapting himself to his particular environment. In my opinion, the city banker is more apt to become narrow, and I may say provincial, in his ideas and methods, than the country banker, for the reason that the great city bank is becoming more and more a huge piece of commercial machinery, wherein each officer performs a certain specific line of work, or, in other words, becomes a cog upon the wheel. Thus, in a city bank, there are departments such as correspondence, foreign exchange, registry and transfer, coupon, safe deposit, a department for the purchase and sale of securities, credit department and information bureau, new business department, etc.

Generally, there are experts connected with these various departments, men capable of expressing an intelligent and prompt opinion, relative to the matters pertaining to their respective branches, and the specialist in the large city bank, pursuing his work within his well appointed groove, may be inclined to lightly regard the very important place occupied in his community by his brother, the Texas country banker. The medical and banking professions in the city and country bear a certain degree of similarity to one another. In case of illness in the city, there are specialists for the various diseases to which the flesh is heir; experts in the treatment of the eye, ear, nose, throat, nerves, etc. Not so in the country, however. The country practitioner must be more or less familiar with these varied branches of his profession and he, therefore, represents a force in his community that is very far-reaching in its beneficent results. There is no question in my mind, but that the country banker and country bank employee come into much closer touch with their customers in matters religious, educational, charitable, political, and especially commercial, than any other member of the community. The ideal country banker, therefore, is a composite production, embodying much that is best in the teacher, preacher, doctor, lawyer, farmer and artisan, and one whose example and influence should leave an impress upon his community second to none.

In view of the pre-eminent position occupied by the country banker in his community, let us direct our thoughts, for a few moments, to some of the qualifications which he should possess, or at least cultivate, in order to more fully meet the requirements of his profession. The relation of the business community to the local banker is somewhat different from that entertained toward those engaged in other lines of endeavor. The local bank is the one place of business where the public universally expects, and generally gets a "square deal." It is the one place where deceit, however well con-

cealed at first, will not prevail in the long run. The country banker is the guardian of the property of others. He, like the mariner, scans the horizon for the signs of the times, and, as has been said, reefs his sail, or spreads his full canvas, as the signs of the times indicate financial storms or smooth sailing. When a wave of pessimism overspreads the land, when dark distress stalks abroad, when ominous signs of impending danger confront the commercial fabric, it is to the local banker that the community instinctively turns and plaintively sings:

Banker, tell us of the night,
What its signs of promise are.

As I have already intimated, the office of many a country banker, during the 1907 panic, served just as effectual a field for the display of the highest degree of generalship, embodying courage, resourcefulness and tactical skill as any battleground. Let me illustrate my point by citing a case from actual experience during the dark days of October of that panic year.

There were three banks located in a little city in Texas, one national, one private and one small state institution of comparatively recent origin. The two former (the national and the private bank) had been in the field for a considerable period of time and had been moderately successful, but with the advent of the panic the management of each institution lost its nerve, and, largely through fear (for both banks were shortly re-opened), the two institutions were temporarily closed.

The cashier of the newer institution (called the "baby bank" of the town) is a young fellow of sterling character, and who had made a hard fight for his little bank. One morning, in the earlier part of the panic, we received a long telegram from him stating in substance about as follows:

"Both of my neighbors closed up this afternoon, but by the Eternal, the First State Bank of ———, clean as a hound's tooth, proposes to stand up, provided you give it proper encouragement by sending it some currency, and it is up to you as to whether this little bank shall live or die."

This heroic and martial strain in his message appealed to us. There, on the Texas plains, was a lone country banker, like Leonidas at Thermopylae, his banking comrades having already fallen by his side, alone and without any serried host to support him by way of clearing house certificates or other local co-operation, and he took his final stand and made his appeal. What reply could we make to such a financial patriot, but to cast aside for the moment the thought that his average balance with us was only about \$700, and, therefore, not entitling him to any accommodation to speak of, and promptly wire him in substance as follows: "Hold the fort, though sorely pressed;

Twelve hundred plunks have been expressed."

Again, the ideal country banker should be a man of liberal education, and should be able to intelligently discuss the fundamental principles of religion with his minister, of commercial law with his lawyer, of education with his school superintendent, of politics with his representative in the legislative halls, and of civic righteousness with his mayor and city council. In brief, he should be acquainted with, and vitally interested in, all of the great problems affecting the public mind in his day and generation. He should not be a stranger to the consideration and discussion of the great economic ques-

tions which confront the business world of today, and upon whose proper solution the commercial fabric of to-morrow rests. We desire in this presence and at this time to bear loyal testimony and admiration to the fact that many a country banker rose magnificently to the situation and rendered phenomenal, intelligent and persistent work in behalf of sound currency and proper banking methods in 1896, when the very integrity of the monetary system was assailed and when certain sections of our fair land were thoroughly impregnated with the Bryan miasma of free silver. No voice in the business community of that trying time was more sane, more eloquent or more potent than that of the country banker.

Furthermore, the local banker is liable to have as many different propositions submitted to him for his consideration as he has depositors, and in order to properly solve the mental and financial problems of others, a well-stored and thoroughly trained mind on the part of the banker is a prime requisite. The day is past when the successful country banker is one of narrow sympathies, contracted vision, barren mentality—one of the shrewd horse-trading "David Harum" variety. One of the meanest, most parsimonious, smallest specimens of humanity whom I have ever met was a country banker who held a mortgage upon my father's farm. I very vividly recall how my father (who was also pastor of a country church) made preparations several months ahead to meet the payment upon the mortgage, and how I had exacted a promise from him (based upon exemplary conduct for a definite period) to permit me to accompany him to the bank. As a lad I had, with that generosity and over-coloring so characteristic of youthful exuberance, mentally pictured this "Prince of Finance" (for he was so regarded locally) as being the very embodiment of the finest qualities entering into the composition of the ideal country banker and business man. It was not long, however, before my ideal was shattered. We came into his august presence, not, however, to be cordially greeted with a "good-morning." No word of salutation to the father who had labored early and late months ahead to meet the payment, no pat upon the head of the early rising expectant lad, but simply a gruff, "Well, what is it?" The "pound of flesh" was exchanged, and as, in later years, I recall this, my first banking experience, I rejoiced that there was a Shakespeare capable of depicting in indelible colors, a narrow, close-fisted, hide-bound character, so that the name of Skylock is to-day typical of all that is mean, not only in the banking fraternity, but also in the entire business world. You may rest assured that, after my visit above alluded to, I was in no mood to sing:

"I want to be a banker,
And with the bankers stand,
A frown upon my forehead,
And an iceberg in my hand."

"Again, a prime requisite for the success of the ideal country banker is the possession of tact. Now tact is a very comprehensive term. It may be defined as being a quick or intuitive appreciation of what is fit, proper or fine, fine or ready mental discernment, shown in saying or doing the proper thing and avoiding what would offend or disturb, skill or facility in dealing with men or emergencies. Now the country banker is continuously dealing with men



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and the emergencies which face men at different periods of their lives. As has already been intimated, it is to the banker that the people instinctively turn for advice, co-operation and support in their day of trouble; hence, therefore, an especially wide and fertile field is presented to the country banker for the display of tact. The country banker becomes a sort of financial physician, who is freely consulted by his patients (his customers) and he, placing his finger of experience and knowledge upon the subject submitted, diagnoses the case and generally renders an intelligent and unbiased opinion as to whether the risk is a healthy one or not. Many of these financial physicians instead of being ready to be "Oslerized" at forty, attain a finer touch and a more discerning judgment as the years go by. In the intimate relationship existing between your banks and your borrowing clientele, there exists a sacredness almost akin to that of the home.

Still another, and newer, phase of banking experience confronts the ideal country banker, and demands his serious consideration, and to which brief allusion has already been made. You may recall I stated that, by reason of the fact that the local field does not always afford a sufficient channel for the employment of all his loanable funds, relief in this connection is frequently sought through the aid of a reserve city correspondent. During the period of the early development of this and other states, when the demand for money was largely in excess of the supply, it was the general custom of the country banker to charge all the traffic would bear, but with the rapid growth of the various localities and the influx of investment funds, the borrowing demands of the local merchants and farmers have been materially curtailed and with the result that many a country banker is now being confronted with the problem as to the best method of utilizing his surplus profits, and hundreds of small country banks are resorting more or less to the investment of a portion of their funds in commercial paper. We have purchased, in one day, over one-quarter million dollars commercial paper for a Texas bank. I know a country banker in the state of Illinois whose credit files, I venture to assert, reflect more closely the actual financial standing of a majority of the makers of commercial paper in the United States to-day than do the records of many of the more pretentious city banks. This particular country banker has for years been obliged to purchase commercial paper in order to utilize his surplus funds, and he has adapted his institution to that end by supplying it with the necessary credit machinery. The point which I am endeavoring to make is to impress upon the ideal country banker of the future the necessity resting upon him to familiarize himself in a general way, at least, with the merits and demerits of the representative securities offered for sale in our leading exchanges or used as collateral in our principal financial centers, and more espe-

cially of the larger cities in and contiguous to his own state, as well as to have at least more than a passing acquaintance with the character, worth and standing of individuals, firms, and corporations whose obligations are brought to his attention almost daily, through the mails or through the traveling representatives of the bond and commercial paper houses who at present radiate from the financial centers and press their wares into almost every hamlet. It seems to me that you, the bankers of the Lone Star State, with its equable climate, its fertile soil, its increasingly diversified products, its rapid development, and with your nearly \$300,000,000 of bank deposits, and especially if you are blessed with two or three successive bumper cotton crops, will be confronted with precisely the same problems respecting suitable avenues for the investment of your surplus funds as the country bankers in other sections of our land are now experiencing.

Another suggestion which, in my opinion, is well worthy of the serious consideration of the ideal country banker, is the benefit derived from travel, and from comparison and exchange of views with brother bankers located elsewhere. I have already alluded to the danger of the country becoming too provincial and falling into a rut. Now, there is no agency more potent in extracting one from a rut than travel. There is no better eye-opener, ear-opener and even heart-opener, than travel, with its incidental benefits. For, through the eye the banker should obtain a broader vision than he possessed before, through the ear he should secure invaluable information and suggestions pertaining to his business, and through the heart he should establish some of the finest affiliations and friendships of a lifetime. Within the last decade great changes have occurred in banking views, and methods which may heretofore have been regarded as somewhat unbusinesslike (and, perhaps, undignified), have come to be considered as at least partially necessary in view of these radical changes. Time was when customers came voluntarily and proffered their business to the bank; now the banker, not infrequently, must go into the highways and byways, not only for the purpose of seeking new business, but also in order to retain the old. That some of the larger and more progressive banking institutions at the reserve centers very highly value the benefits resulting from travel, is evidenced by the fact that they are adopting the policy heretofore so successfully practiced by the wholesaler and jobber by having at least one or more of their officers or representatives come (through travel) into personal contact with as many of their customers throughout the country as practicable. These banks have learned the lesson that the more closely their institutions are identified with their customers the more they know of the character, worth and standing of their borrowers, the more familiar they are with the precise nature of the local security offered as collateral

by the borrowing bank, the better equipped they are to meet the requirements of their dealers throughout the Union.

I will not enlarge further upon this phase of the topic, but I am confident that you will conclude with me in recognizing that in travel, we find a worthy stimulant for the eye, the ear and the heart, and your association seems to have realized the benefits of travel more quickly and profoundly than the associations of the other states as evidenced by the intelligence and care exercised for several years in providing facilities for instructive itineraries into different sections of our own and adjoining countries.

During the last few years no better opportunity has been accorded the country banker for enlarging his acquaintance among the banking fraternity, for coming into closer touch with his own correspondents and for acquainting himself with up-to-date methods in bank administration and with modern thought upon banking subjects than by periodic journeys to group meetings and the sessions of your State Bankers Association and, if possible, culminating with the annual meeting of the American Bankers Association.

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Among the progressive banks of Texas, the Collin County National, located at McKinney, comes in for its share of commendation. The bank has a capital, surplus, and undivided profits of \$300,000, the total resources being close to a million and a quarter. W. B. Newsome is president, J. S. Heard and J. P. Crouch, vice-presidents. W. M. Shirley is cashier and Tom C. Goodner, assistant cashier. This bank makes a specialty of collections with prompt remittances. Business entrusted to it will have the careful attention of its qualified officers.

OKLAHOMA CASHIER CONVICTED

Tulsa, Okla., May 18.—In the United States court, W. Penn Phillips was convicted on the charge of falsifying a statement of the First National Bank of Vinita, of which he was cashier. The offense alleged against Phillips dates back to September, 1906. He was indicted the following June, but was never tried until this term of court. Considerable sympathy is felt for Phillips, as he has made good his shortage and has always borne a good reputation. He will appeal.

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The New York Clearing House Association voted to admit all trust companies that will meet the admission requirements. It also approved the report of the clearing house committee favoring an independent system of bank examinations to be conducted by the association.

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Southwest Banking Conditions

George B. Harrison, vice-president of the New England National, Kansas City, reads a valuable paper at both the Texas and Oklahoma conventions

Development of the great Southwest, in every department of human activity, has been gradual and remarkable. Handicapped by having in its territory a large part of what was once called "The Great American Desert," it has steadily shown increase of wealth from which stock raising, agriculture, mining and commerce. No small part of the credit of this development is due to the banks.

Under more or less unfavorable, I might say speculative, conditions, the banks as a whole have been well managed, have constantly shown increased strength, and have made a record to be proud of. In a few instances there have been crop failures as a result of drouth, bringing with them financial distress, but in almost every instance failures in banking institutions have come from mis-management; from either the desire of the officers to promote and finance schemes promising large profits to themselves, or from inefficient officers permitting visionary and unscrupulous customers to absorb the bank's resources in speculative schemes. But few failures are recorded where bank funds have been loaned with reasonable care and have been well distributed; and very few instances are recorded where banks with proper assets have suffered more than temporary embarrassment as a result of financial panics.

The history of bank failures shows the personnel of the management is of prime importance—of greater importance even than the capitalization. In fact, the capitalization of a bank or banks in excess of the needs of a community easily can be a source of weakness, in that the surplus of money and the desire to secure good returns upon it too frequently foster speculation and bad credits.

It follows that the best interests of communities are subserved when properly managed banks are protected against extravagant and unwise competition. A bank differs from the ordinary corporation engaged in general trade in that it is semipublic institution; in almost every case the public, through its deposits, has

more interest in the institution than the shareholders themselves, with the result the corporate bank occupies in a way the position of a trustee. A community therefore, is vitally interested in the success and solvency of its banks; in fact, the prosperity of any community depends largely upon the character of its banks. Recognizing these facts, Kansas, at its 1911 session of the legislature, by special statute has given its banking board the authority to refuse an application for a bank charter when in its wisdom it deems the applicants unworthy, or the commercial demands of the community too limited to support a bank or an additional bank. It is possible that prejudice might in-

fluence a board and an application from deserving men be refused, that poor judgment might result in a community needing additional banking facilities being denied, but such cases would be extremely few. The constitutionality of the Kansas law is being questioned by some, but in my opinion, from a business standpoint, there is no doubt but this law is sound, and I hope it will be enacted in other states. And while our comptroller of the currency has adopted a similar policy, his authority for such a position is uncertain. He is entitled to have that authority more clearly defined and congress would do well to enact a law similar to the Kansas statute. The wisdom of this policy cannot be questioned. Conservatism, honesty and experience are qualities absolutely essential to safe banking, and every possible effort should be made to keep men without these qualities out of the business. Do not misunderstand me—I believe in competition as long as it is legitimate, but in banking—the people's business—it should be limited to safe hands and to safe proportions.

There is another matter I would call to your attention. All of us at times have found it difficult, if not impossible, to get from our correspondents in answer to inquiries by letter, information as to general conditions, when those conditions are bad. If conditions are good, no one hesitates to be an optimist, but when conditions are bad, or even alarming, it is difficult to find one brave enough to even hint at the truth. I presume this is because the average man does not wish to be a pessimist. But should this condition exist? Are not the bankers of the country, the small ones as well as the large, entitled to have better information than they now generally receive? If they were permitted to keep in closer touch with affairs, is it not self-evident they could materially assist in correcting unsafe conditions? No banker, I take it, whether his capital is \$10,000 and deposits \$100,000, or these items reach into the millions, but is anxious to do his part toward preventing times like 1907. I believe

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the banks of the Southwest are entitled to better information than they now receive.

My remarks thus far have been general, but to be more specific: How can we improve our southwestern banks? What are our weaknesses? The management and condition of the banks of the Southwest are good, and I feel we should be congratulated that but few criticisms can be made; but there are some, and while I shall speak candidly I know the statements I make are true and I hope they may be beneficial.

It might be well to consider first, what are the functions of a commercial bank? It is to the commercial banks I would refer. In my opinion, they are to receive deposits and to repay them on demand or at an agreed time; to buy and sell exchange; to make collections; and to loan its funds to those who have or will have in a short time, some commodity to dispose of, and can be sent to market, from the sale of which the money can be repaid. In other words, a commercial bank should not make a practice of loaning to those whose assets are not liquid. Consider for a moment what this means. Nearly all of a bank's liabilities are payable on demand. A depositor considers that his money should be available for him to use any time he wants it, and the law recognizes his right to have it. when you consider that there is not enough money in all the banks of the United States to pay the checks drawn in a single day, you realize the difficult position a bank occupies when its assets are not readily convertible into cash. It is of great importance therefore that its loans should be of such a character that it knows they will be paid in the ordinary course of business when due, and not be repeatedly renewed.

With these premises accepted, let us consider what acts, frequently practiced, tend to hamper the facilities or endanger the existence of the bank. Of minor importance, I would refer to the practice becoming daily more prevalent, of bank officers borrowing from their correspondents with their bank stock as collateral. Except for temporary needs I believe this to be a mistake. It is an evidence that the borrower is too weak financially to carry the stock, or that he is speculating and using the funds in outside matters. Of all men, a banker should be conservative, and he should not undertake to carry a greater amount of stock in his institution than he can handle with comparative ease. If he is using his funds for speculation it is better that he retire from the banking business, for a speculator has no place behind a bank counter. The first obligation of the city bank is to the correspondent itself. A loan to an officer is always counted against the "line" of the correspondent, no matter what statement to the contrary is made, and to that extent the resources of the bank are curtailed. All of the reserve banks have such loans and I suppose always will have; but they are a fault, and as an evidence they are regarded as such the several banking departments are now inquiring more carefully as to loans of this character. I realize there are times when such

loans are necessary and entirely proper, and to these I do not refer.

A weakness in our banking methods which has developed and become more apparent in the last few years is the tendency of the banks to look to their correspondents instead of their note files to secure funds upon which to operate. The cause of this rests almost entirely with the reserve-city banks. In their desire to increase their business, they are constantly offering funds to banks not their correspondents on condition that they bring at least a part of their business to them, or, by reason of competition, too frequently the city bank hesitates to advise its correspondent to curtail its loans, although it then knows the correspondent is expanded beyond the limits of safety. This practice when adhered to, tends to destroy the courage of the country banker, for he finds it much easier with this resource before him, to grant new loans than to refuse them; and so much easier to call on his correspondent than to ask his customers to reduce their loans. When a correspondent is calling for assistance and the question is asked: "Why do you not reduce your loans?" do we get the answer: "Indeed, I can not insist on my customers paying me, they would be offended; they would spread it broadcast I was hard up and it would ruin my business." The banker's pride, his desire to have it known that he can and will finance all deals in his community, is the cause of this unfortunate position; but the practice leads to over-expansion, a condition which has caused no little uneasiness in the recent past. Do not misunderstand me. I realize that in most sections there are seasons when a bank needs and has a right to call upon its correspondent for assistance in taking care of the demands incident to crop movements, cattle feeding and the like, but I refer to the bank that does not hesitate to borrow at any and all times.

As a close sequence to the tendency just mentioned, is the practice of many banks to loan on non-liquid collateral, or a lack of care to have their funds loaned on marketable assets. I would be liberal in defining liquid loans. It is useless to expect any bank in an agricultural or stock raising section to have much paper of a character that would be termed "liquid" by our New York friends, so for practical use I would define liquid loans to embrace those made for not exceeding six months time, that will or can be paid without fail when due, without difficulty and without sacrifice on the part of the borrower. Contra, it might be well to define the non-liquid loan as one which neither the lender nor the borrower expects to be paid when due, nor cannot be met without sacrifice. This latter loan comes principally from financing mercantile or manufacturing concerns with insufficient capital, or from financing real estate deals, either of a speculative or a legitimate nature. I realize that no bank can keep itself entirely clear of this slow or non-liquid paper, for as careful as we may be a certain amount will get into our files in the natural course of business; but it is the lack of appre-

ciation on the part of many bankers of the necessity of keeping their loans liquid that I would impress upon you. A bank that permits itself to accumulate non-liquid paper and can not contract its loans under normal conditions to meet ordinary demands, is in an unsafe condition, and as an evidence of this we too often see where a bank whose trouble is the non-liquid condition of its assets, suspends or is forced to sell its business to a competitor.

While there are some other practices which might be named that tend to weaken our banking situation, yet I do not feel they are of sufficient importance to warrant our referring to them at this time. As a whole we have done well. We have played no small part in the development of the resources of our section. Through that development we have increased the value of our lands, have assisted our customers to accumulate untold wealth, and our institutions at the same time have gained strength thereby.

Pennsylvania

Commenting upon the presence of manufacturers in the bond market and their purchases of good interest-paying bonds, a bond dealer of some note says that it is due to the dullness in the manufacturing trade and the desire of manufacturers to employ the capital which would otherwise remain idle in providing a revenue to their respective companies.

In its report to the Commissioner of State Banking, the Commercial Trust Company of Philadelphia, Pa., makes the following showing of its condition at the close of business April 29th: Total resources, \$14,135,186, inclusive of \$5,282,098 securities; loans, \$4,898,175; cash, \$3,373,276; surplus, \$2,000,000; deposits, \$10,895,872; capital stock, \$1,000,000.

Pittsburgh courts were busy last week with graft cases, in connection with the passage of the municipal depository ordinance through councils. Dr. F. C. Blessing, president of common council, was tried the second time on a charge of accepting a bribe. He was convicted the first time, some months ago, but was granted a new trial. On the second trial the jury failed to agree and were discharged. Another trial is expected. Dr. E. R. Walters, at present director of the department of health, but a member of select council in June, 1908, was tried on a charge of accepting a bribe. The jury returned a verdict of acquittal and placed the costs on the county. Then F. N. Hoffstot, banker, and president of the Pressed Steel Car Company, was placed on trial for conspiracy. The jury in his case, after being out all night, asked for further instructions. Going back and deliberating further they reported later a hopeless deadlock and were discharged. Hoffstot was again placed on trial Monday, charged with bribery. Charles C. Schad, formerly a member of the select council, was placed on trial on the charge of bribery. He was tried once before; the jury disagreed, making another trial necessary.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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\$16,000,000**

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SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

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Direct Connections
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Pacific Northwest Banking News

Spokane, May 16.—One hundred or more officers of banks in eastern Washington will meet in the assembly room of the Old National bank in Spokane on May 25th to perfect plans for the organization of Group One of the Washington State Bankers Association. The meeting will be followed by a banquet in the Hall of the Doges. These counties will compose the group: Pend Oreille, Spokane, Stevens, Lincoln, Adams, Ferry, Whitman and Franklin. The Spokane Clearing House Association is fathering the movement to put in force the group system in the state organization. A committee headed by Thomas H. Brewer, president of the Fidelity National Bank, is handling the arrangements. Other members are Charles A. McLean, cashier of the Traders' National Bank and W. D. Vincent, cashier of the Old National Bank. The Spokane group will be the first under the new system.

Water Power Sites Taxable

State tax commission of Washington has rendered a decision that water power sites are taxable. The ruling was made in answer to an inquiry by the assessor of Klickitat county. The decision follows in part: "The law requires the assessment of all property at its full and fair value in money. A water power is not assessed as a water power, but 160 acres of land which has upon it a very desirable and valuable water power and which makes that 160 acres of land worth from four to 40 times as much as the adjoining 160 acres of land, should be assessed at from four to 40 times higher than the adjoining 160 acres."

State Bonds All Paid

Washington is free of bonded debt the first time in its history, and has a working capital of \$300,000, according to a statement from John G. Lewis, state treasurer, received by Spokane banks. Mr. Lewis has drawn a warrant for \$700,000 to take up the bonds outstanding against the general fund, also a warrant for \$13,937 to pay interest due. Special bonds outstanding amount to \$321,024, which cannot be taken up until 1914. These are not debts against the state, as one issue of \$206,024 is to be paid out of the school fund, and one of \$125,000 out of the highway fund. The state is drawing 2 per cent interest on its daily balance on moneys deposited in banks, which means a revenue of \$17,000 a year. The state owns \$8,000,000 worth of bonds in various permanent funds, which draw \$400,000 yearly in interest. The legislature's budget in 1907 was more than \$5,000,000; that of 1909 was nearly \$13,000,000, while that of 1911 was over \$10,000,000.

Northwestern News Notes

Julius Kruttschnitt, director of maintenance of the Harriman system, who was in Spokane a few days ago looking over the plans for the building of the road on the third district of the Oregon-Washington Railroad & Navigation Company line, announced that the union station here will be for the O-W. R. & N. and

Chicago, Milwaukee & Puget Sound roads. He added that the Hill lines had made no overtures for the use of the station, when this is completed, the work of establishing yards at Dishman, Wash., will be rushed. The work in the cut-off between Spokane and Ayer, 103 miles, is progressing.

Kootenai County State Bank at St. Maries, Idaho, has declared a semiannual dividend of 5 per cent, which brings the dividends up to 13 per cent for the year. William Dollar, William Trueman, Leon DeMars and E. R. Whitla were elected directors for the coming year.

Burlington Trust Company of Burlington, Vt., whose chief officials, H. L. Ward, president, and Edmund C. Mower, vice-president, were in the city recently, has bought \$51,000 worth of Spokane securities. The company holds large investments in Washington farm lands loans and the two officers are here to look over the field prior to investing further this year. C. P. Smith, president of the Burlington Savings Bank, also was in the city a few days ago.

Seattle

It is said that no less than \$3,000,000 worth of Seattle commercial paper is now held in the East.

Seattle banks are making no concessions. They are still holding at 6 and 7 per cent, according to the loan.

Reserves held by local banks are unusually high. Country banks have more money than usual on deposit here, due to the fact that the grain crop of the Northwest has been more closely sold up than at any time in two years.

The Seattle bankers who were summoned to New York to furnish testimony in the United Wireless hearing, have been delayed in that city far beyond the time they expected to remain there. Those who went from Seattle were: J. W. Swalwell, vice-president of the National Bank of Commerce; James McVay, cashier of the Metropolitan Bank; R. V. Ankeny, cashier of the Seattle National Bank; D. H. Moss, vice-president and cashier of the First National Bank, and C. S. Hanley, cashier of the Mercantile Bank.

H. C. Henry, president of the Metropolitan Bank, who has been touring Southern Europe and Northern Africa, is expected to return to Seattle in a few days.

William N. Redfield, president of the Mercantile Bank, has left Seattle for New York, where he will remain for several weeks.

A new bank in the Broadway district is to be opened in the next few weeks with British Columbia capital largely interested, according to an announcement by M. P. Leary of this city. The new institution will be called the Broadway State Bank and will have its quarters in the Avon building at the southwest corner of Broadway and Denny Way. The charter has already been secured.

Just how local banks stand in the estimation of investors and business men generally is shown by the prices commanded by Seattle bank stocks when offered on the local market. Some of the stock of the Dexter Horton National was put up for sale a few days ago and a broker offered \$260. This was immediately followed by an offer of \$265 for 100 shares. Other ratings of local bank stocks include: Mercantile Bank at \$116; Metropolitan at \$200; Scandinavian-American at \$225; Seattle National at \$265.

E. J. Parker

E. J. Parker, president of the State Savings Loan and Trust Company, Quincy, Illinois, is the style of banker that looks well after the interests of his bank and its customers, and yet finds time to take an active part in the work of the Illinois groups, the state association, and also an interested member of the A. B. A. Mr. Parker visited Chicago on Tuesday and called on banking acquaintances during the day.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

The Audit Company of Illinois

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C. W. KNISELY, C. P. A.
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Drawing-room sleeping cars,
buffet-library-observation car,
free reclining chair cars, mission
style dining car—equipment of latest
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Provides barber, valet to press garments, library
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Indiana Banks

The Citizens State Bank has been organized at Wolcott, with James Blake as president, and Chas Kleist, present county recorder, as cashier.

The directors of the McKeen National Bank, Terre Haute, presented to Herman Hulman a silver loving cup on his eightieth birthday. On the eightieth birthday of W. R. McKeen a like gift was made by the directors.

Edgar F. Hiatt has been elected president of the Dickman Trust Company, of Richmond, to succeed Samuel Dickinson, whose death occurred a week ago. Mr. Hiatt has been connected with the institution since its organization, and for several years had been vice-president.

That there is plenty of money in Grant county is indicated by the growth of the new Farmers' Trust and Savings Company, which opened its doors for business the first of the year. For a new institution the showing is remarkable. On the last day of the fourth month this bank shows nearly \$250,000 in deposits and \$331,000 in resources. This being a farmers' bank, its business naturally comes largely from the country and it indicates a healthy condition of the finances of the county.

W. J. Gemmill, who organized the Clarksburg State Bank, October 25, 1904, and has always filled the position of cashier of that institution, has tendered his resignation, to take effect on July first, as he will go to Broad Ripple, Indianapolis, where he has organized a bank, the stock being held by Indianapolis capitalists. The stockholders of the Broad Ripple Bank have elected W. H. Alford, president. Emsley Johnson, vice-president, and W. J. Gemmill, cashier.

ST. LOUIS BANKER IN TOWN

Hugh Powers, manager of the bond department of Mercantile Trust, St. Louis, was a visitor at La Salle Street National Tuesday. He reported an improvement in the St. Louis money market and a steady inquiry for bonds.

RETURNS FROM MISSISSIPPI

George B. Smith of Continental-Commercial has returned from Mississippi.

GROSS TOURS EUROPE AND THE WORLD

MAY 10th, AUTOMOBILE TOUR OF EUROPE
99 DAYS, \$1006.00

Including every item of expense, except tips to steamship stewards. Azores, Madeira, Gibraltar, Algiers, Italy, Switzerland, Germany, Holland, Belgium, France and British Isles. Party is limited, make your reservations now.

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G. E. MacKinnon

Des Moines, May 18.—Gilger E. MacKinnon, vice-president of the Mechanics Savings, Des Moines, has been made president of the institution succeeding H. B. Wyman who has sold his stock to Mr. MacKinnon and employees of the bank. Harry F. Gross was elected vice-president succeeding Mr. MacKinnon. W. A. Rutledge was chosen on the directory board.

Mr. Wyman became president of the Mechanics when it was organized by Mr. MacKinnon seven years ago. At that time, Mr. MacKinnon was cashier. Later the latter was advanced to vice-president. Active management of the institution has always been in the hands of Mr. MacKinnon. The bank has made a steady and strong growth and now has deposits of over \$630,000. It is planning to erect a new building adjoining the present structure in which it has been located since its organization.

The new president is vice-president of the Iowa Bankers Association and one of the live wires of the Iowa banking field. He came to Des Moines as general bookkeeper in the Citizens National in 1895 from Laurens where he was assistant cashier for the First National. Since then, he has been connected with the Des Moines Savings as paying teller and the Central State as cashier. For some months, he was connected with the Union Mill Company at Cedar Falls but returned to Des Moines to organize the Mechanics in 1904.

Minneapolis banks report that their savings accounts have increased in number and volume about 25 per cent since the beginning of the year compared with the corresponding period of 1910.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

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State of Iowa—Our Direct Field
Excellent Collection Facilities

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J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

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CLINTON, IOWA

Capital - \$300,000.00

Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERNAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

Money Steady

In Chicago, as elsewhere, the money market has improved and is steady at a fractional advance. Commercial loans are at $4\frac{1}{2}$ to $5\frac{1}{2}$ per cent and real estate 5 to 6. There is a little more life in mercantile trade than has been noted for several months. The principal demand for money is from the Western and Southwestern states.

The Bank of Willard, Ky., has been closed owing to a shortage of \$14,000.

Des Moines, May 18.—President John McHugh and Secretary P. W. Hall of the Iowa Bankers Association completed a tentative draft of the program for the state convention at Mason City next month at a conference in Des Moines last week. An invitation has been extended to Franklin MacVeagh to address the bankers of Iowa and it is hoped that he will accept. An effort is also being made to secure John Barrett of Washington, director of the International Bureau of the Republic, but up to this time he has not accepted.

Prof. Laurence Laughlin of Chicago University has announced that he will speak on "Progress of Monetary and Banking Legislation."

Charles R. Frost, secretary of the Minnesota Bankers Association will speak on "Educational Reform in Minnesota."

James G. Berryhill of Des Moines will speak on "Bank Legislation."

E. R. Gurney, of Fremont, Neb., has consented to read a paper. There will be a series of twenty minute speeches. Those who will speak will be George M. Reynolds of Chicago, Charles D. Ellis of Mason City and Emerson DuPuy of Des Moines. It is probable that the program will provide for more speakers in this connection.

The entertainment features will be superb. It is proposed to spend a portion of the time at Clear Lake, one of the most attractive resorts in the Middle West. The bankers at Mason City are preparing to make the occasion one of especial delight. It is probable that Des Moines bankers will attend the convention in a special car.

Banks in Fine Condition

Auditor of State J. L. Bleakly told the bankers of Group Eight at Davenport last week that never before in the history of the state have Iowa state and savings banks and trust companies been in as good condition as at present. This situation, he explained, is due to the strict supervision and personal interest that is being given these institutions each year. He declared that it will continue to be policy to insist upon unequivocal obedience to the law no matter though it may seem drastic at times. The auditor declared that carelessness of managers and indifference of directors are often to blame when banks fall into bad lines. In speaking of his troubles, Mr. Bleakly said that he is constantly in controversy with men who are heavily interested in large banks and who own stock in smaller institutions which they wish to use as feeders for the larger central institutions? "Many times these deposits are switched to some national bank over which we have no control," said Mr. Bleakly. "We feel that the small bank owes the same responsibility to its depositors as does the city bank and it is our purpose to take care of the banks immediately under our jurisdiction and protect them in all possible ways." The group meeting was a success. John Reihman of Grand Mound was elected chairman. He has been secretary during the past term. F. L. Butzlof of Charlotte was made secretary.

Displeased at Assessments

Des Moines bankers have received their first assessments under the new law as passed by the recent legislature. To say they are displeased is putting it mildly. City Assessor James Parker under the terms of the new law has announced that the total assessment for

the banks of Des Moines is \$3,856,347. The last assessment under the old law placed the valuations at \$1,175,886. Thus there is an increase of \$2,680,461, about twice what the assessment was under the old law. Bankers regard this increase as unreasonable and it is certain that a bevy of law suits will follow.

One important item in the increased assessments is the tax on government bonds. Under the new state law, there are made assessable. Accordingly they were assessed by Mr. Parker. The total assessment on government bonds in the Des Moines national banks totaled \$1,832,400. The savings bank assessment on bonds totals \$1,026,950. The total of both is \$2,859,350. It is the contention of bankers that the state legislature cannot thus arbitrarily make government bonds assessable. Accordingly a test case will be started at once, so leading Des Moines bankers assert.

The new law does not permit the deduction of individual indebtedness.

Bankers point out the injustice of forcing them to pay assessments on 80 per cent of the valuations whereas real estate is usually assessed at about one-third of its value or less.

"We are willing to pay our just taxes but it certainly is unjust to ask us to pay more than any other business man is paying," said C. H. Martin, president of the People's Savings. "It certainly cannot be constitutional. I imagine that there will be a strenuous legal protest raised at once."

Bankers have another complaint. Under the new law every bank in Des Moines filed a complete list of its stockholders together with the capitalization, the amount of stock owned by each, the par value and the face value. This list, filed with the assessor, has been regarded as public record and has thus been made public. Many bankers object to the publication of the list of their stockholders. There seems to be some dispute as to whether under the law bankers are compelled to file this list with the assessor. Des Moines bankers aver that they only filed them as an accommodation to Mr. Parker. Now that they have been given publicity, the bankers say they will not file them again. It is probable that this phase of the question will also be thrashed out in the courts.

New Postal Bank Successful

The Postal Savings Bank at Centerville is starting out more successfully than that at Decorah. At the end of the first week, the Centerville postoffice had \$1,554 on deposit and fifty-three depositors. This is a better showing than at Decorah which has been in existence for three months and has only \$722 on deposit and but 19 depositors. Centerville is in the center of a mining region where there are many foreigners who had often purchased money orders which they had held apparently preferring this method of preserving their funds.

TELLS OF THRIVING CITY

Cashier Chas. W. Coen of Merchants National, South Bend, Ind., was a visitor at Western Trust and Savings Tuesday. Mr. Coen told of the growth and thriftiness of South Bend, which is one of the strongest and wealthiest of inland cities. There has been a good demand for money all spring, owing to activity in manufacturing. Mr. Coen is a brother of Albert E. Coen of Western Trust.

State Banks of Texas

valuable paper, the state laws controlling them before the big Dallas convention

Commissioner of Banking
Ben. L. Gill discusses in a

The state banks of Texas, if properly supervised, have come to stay, for they fill a place and a want and occupy a field of usefulness not heretofore taken by any other system of banks and there should be no feeling of antagonism between the state and national banks for each has its own mission and sphere of usefulness and a spirit of co-operation should exist between them. The state bank law of Texas went into effect August 25, 1905. Since that time there have been organized 750 banks, 79 of which have liquidated or consolidated with other banks. The guaranty of deposit law began operation August 12, 1909. All of these banks are contributors to the guaranty fund except 47 that are bond banks, that is to say, they have on deposit with the department bonds for the securing of their deposits amounting to \$2,981,000.00. The credit to the guaranty fund is now \$492,088.53, one fourth of which is in cash held by the state treasurer and the other three-fourths is to the credit of the state banking board deposited in the state banks contributing to, and whose deposits are guaranteed by this fund. When a new bank starts it pays in cash with its application one-fourth of three per cent of its capital stock and a duplicate deposit slip to the credit of the banking board for three-fourths. On the first day of November its average daily deposits are calculated on a basis of 1 per cent and each year thereafter they contribute one-fourth of 1 per cent on average daily deposits until the fund shall reach the sum of \$2,000,000.00. Up to this time not 1 cent has been touched of this fund and I hope it never will be necessary to do so. Aside from this, the greatest of all safeguards for a bank, in my opinion, intelligent and active supervision is insisted upon by requiring each bank to be examined four times each year in addition to its sworn and published reports coincident with the calls of the national banks five times in each year. Like all new and practically untried laws, there is room for improvement in some respects but as a whole, it is a very good and a very satisfactory law and should not be touched or amended until we have become more familiar with its workings.

The called statement of January 7, 1911, showed 627 banks with a combined capital and surplus of \$25,161,090.12 and total deposits of \$62,212,183.12, loans and discounts \$51,258,661.50, with an average reserve of 46 2/3 per cent and cash reserve of 12 per cent. Under the call of March 7, 1911, totals are as follows: Number of banks in operation 640, capital and surplus \$25,970,419.69, deposits \$60,800,862.74, loans and discounts \$54,385,732.13. In the sixty days, net number of banks increased 13, increase of capital and surplus \$809,329.57, decrease of deposits \$1,411,320.38, increase loans and discounts \$3,127,070.63. Some of my personal objections to the law are the restrictions in sections 6 and 7 defining what is a regular meeting and what can or cannot be done at regular meetings. For instance, it is not permitted an officer of a bank to borrow the funds of a bank unless it shall have first been authorized by a majority of the board (other than the borrower) at a regular meeting. Neither can a director borrow in excess of 10 per cent of the capital stock unless authorized in the same way at a regular meeting. If the bank desires to borrow money either by bills payable or rediscutions, such loan must first be approved at

a regular meeting. Now every practical banker knows there are times when such matters cannot be delayed for thirty days and yet it is not a legal loan otherwise than as the law provides. I grant you this is sometimes done and where everything goes on all right no harm or inconvenience follows, but if a contest should arise serious complications might result. As it now stands it is the law and the commissioner insists upon its observance. I think also that the commissioner and banking board should have more power and discretion than the law permits with reference to authorizing new banks. Under our law permission is sometimes given to banks to proceed contrary to the business judgment of the board as it has no right under our constitution to say the field is supplied. No matter what conditions in that respect may be, it only has the right to judge its officers and directors and say whether or not in the judgment of the board they are proper persons to be entrusted with the business and property of that community. I have already invited much criticism from a certain element of promoters by discouraging their efforts in this direction. I have the personal satisfaction also of believing that I did so because I believed I was right, and that I was assisting in maintaining the integrity of the banking profession and protecting the interests of the community upon whom they had designs and the banking department from much unnecessary work and worry in the future. I have no ambition to see how many new banks can be added to the system during my incumbency but I do have a desire to see good, well-managed banks come in and assist those already in by becoming a credit to the department, a benefit to the community and profitable to their stockholders. I am firmly convinced that with proper supervision and the prestige of the guaranty fund behind the state banks and the same character of supervision and a proper organization of currency associations under the Aldrich-Vreeland act for the national banks such a thing as a panic will be rare if not totally impossible.

Now a word about supervision and its effects. Some complaint of the banking law is had in this connection. The president of one of our small and unsatisfactory banks, whom I had endeavored without success to persuade to obey the law and keep his bank in acceptable shape, was told he must resign or the bank would be taken over by the commissioner. He replied that he was arranging to get a national charter as he was tired of being examined so often. I wrote him I thought he was doing the right thing, that perhaps if he was fortunate enough to get a national charter he might reform. A few days later another party bought his stock and assumed his position and wrote me he had seen the correspondence and did not agree with his predecessor but would correct those things complained of and comply with the law and regarded the examinations as a good investment. The former president either was incompetent or dishonest, which, so

far as results go in banking, are synonymous terms. I once had a director on my board, a very shrewd Jew, whose business opinion I valued very highly. One day in discussing a loan with him I said the intending borrower was honest but of little business ability; his reply was the best business maxim I ever learned. It was, "what is the difference if you lose your money by a fool or a rascal?" I believe again that supervision is desirable and necessary because where an officer is inexperienced but otherwise competent and anxious to learn, it is helpful to him to have the advice of the examiners and the department and it assists in correcting unlawful acts of those who know better. The three things that give us the most concern are: reserve, excessive loans to officers and directors, and in the stronger banks, the proper placing of its reserve. Some complaint is made that the required cash reserve of 10 per cent is too high. I do not think so except in rare instances and these are so few that they should not ask that the law be relaxed for their special benefit. Much trouble is experienced with the item of excessive loans. This is intensified in my judgment by reason of the fact that we have so many small banks in the system. The entire indebtedness of any one person in a state bank cannot exceed 25 per cent of its capital and certified surplus. This has reference to actual maker and endorsements. National banks can loan only 10 per cent of their capital and unimpaired surplus but can discount any amount of the customers' paper up to 30 per cent of its capital. Unimpaired surplus referred to of national banks is any amount they may have in surplus account that is not impaired by probable losses. Certified surplus as applied to state banks means that a bank cannot loan against its surplus account until it shall amount to 50 per cent of its capital and has been certified by the secretary of state upon application. Right here I want to impress upon the officers and directors of the state banks of Texas to defer the payment of dividends until they shall have built up a surplus fund of at least 50 per cent and have it certified. There is nothing you can do for your bank that will be so advantageous to it or will reflect so much credit upon its management as a substantial surplus account. The credit of your bank is more largely based upon this item than upon its capital. It reflects wholesome and conservative management. If you have reverses and losses (and they surely will come to you) you can meet them without impairment of your capital and when you need to borrow for your bank nothing recommends you so highly as your prudence and ability to accumulate it. You will pardon a personal reference when I tell you that the bank, of which I had had the honor of being an officer and director for more than twenty years, justifies me in stating that I have practiced what I preach in this respect and I am prouder of it to-day than of any other business result I ever hope to achieve. These thoughts I have given you are based on my experience in a bank not unlike the most of those conducted like your own, and I believe I understand your wants and your ambitions and, as commissioner of banking, I want to assist you in every possible way to make your bank a credit to its officers and stockholders as well as a credit to the department of banking. But you must also do your part to that end, study the law and endeavor

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RESOURCES

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U. S. Bonds and Premiums.....	126,000.00
Bonds, Securities, etc.....	124,385.00
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	\$1,394,127.60

LIABILITIES

Capital Stock.....	\$150,000.00
Surplus and Undivided Profits.....	59,609.06
Circulation.....	100,000.00
Dividends Unpaid.....	25.00
Deposits.....	1,084,493.54
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THE CHICAGO BANKER

MONADNOCK BLOCK

CHICAGO

to conduct your bank according to its provision and I promise to write you a letter of commendation after each examination for your efforts and offer you all possible assistance and encouragement. For the state banking law to be a success your bank must succeed and we must have the hearty co-operation of every honest and capable banker in Texas and the elimination of every dishonest and incapable man from the system. In my efforts to accomplish this, I shall not hesitate to demand the resignation of such officers and directors who continuously and wilfully violate the state banking laws. Such men are a menace to every bank and every community in this state and in view of the further fact that the interests of the state banks of Texas are so interwoven with each other by their mutual interests in the guaranty fund, where each bank stands sponsor for every other bank, it is not right, it is not just, that such men should be permitted to come into the system or to remain in it if already permitted to imperil the interest of those who are honest and competent and reflect credit upon

the profession. These are my sentiments and I have no apology to make for expressing them. This policy will win in a country bank and it will win in a banking system if properly enforced. Let me conclude with an extract from an authority (Mr. Pratt)—"It should be remembered that integrity, force, ability, faithfulness, promptness, carefulness and courtesy tell in banking as well as in any other business. On the other hand, traits and conduct of the opposite character insure failure, but given the better qualities in good measure, in officers and clerks, success is assured. One specially important thing to bear in mind in banking is that new phases of business are constantly developing and the most successful and most useful bank is the one which most quickly adapts itself to the times. Do a straight-forward legitimate and upright business, and never be tempted by the prospect of large gains to engage in operations not sanctioned by prudence, or by the provisions of the laws."

William Little, aged 67 years, a banker of Northwest Oklahoma died last week.

HOFFSTOT IS ACQUITTED

Pittsburgh, Pa., May 18.—Frank N. Hoffstot, the banker-manufacturer of New York City, was acquitted on the charge of bribery in connection with the bank depository ordinance exposed in the councilmanic graft crusade. A week ago a jury disagreed in a case of conspiracy against Hoffstot. The bribery case went to the jury late this afternoon and the verdict was returned in a little more than an hour.

The case has been on trial two days, and after the failure of his attorneys to have the court instruct the jury to return a verdict finding him not guilty, Hoffstot went on the witness stand in his own behalf. He denied that he had any knowledge of the bribery of councilmen to pass the bank depository ordinance until after the exposure of the councilmanic scandal.

STEWART'S BANK INCORPORATES

The private banking concern of John Stewart and Company at St. Charles, Ill., has been incorporated, to be known as the Stewart State Bank.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

TACOMA CHAPTER

Competition is a keen edged tool and to keep clear of its blade advancement must be made with its demands. First the public were introduced to the one cylinder machine; this was followed by the two cylinder and to keep in the race the leading auto manufacturers have given to the public their highest practical work—the four cylinder.

Tacoma Chapter has offered its members meetings of the one cylinder and two cylinder type but each meeting of these classes, even at their best, suffered the cut of competition. This month the chapter officials felt they were in a position to produce the best ever and announced to the chapter members an up-to-the-minute four cylinder meeting.

Many times the chapter rooms have been filled very close to the limit at the monthly meetings but the May meeting brought into play the relay system of possessing a seat.

First was held the election of delegates to the national convention which left Geo. E. Dixon, assistant cashier Fidelity Trust Company and W. W. Newschwander, president of the chapter, wearing smiles that will have a chance to expand in giving and receiving greetings in Rochester.

Ellis Lewis Garretson, manager of one of the city's largest insurance agencies, but still one of the boys, was next given full charge and gave his lecture on "The Pyramids of Mexico" assisted by the stereopticon. The slides thrown on the screen were obtained by Mr. Garretson under great difficulties during a recent journey through Mexico and are not possessed by any lecturer in the country. As the pictures were shown Mr. Garretson kept up a running story, tracing the religious life of the people from the earliest period up to the present time. The good and evil periods were easily placed in the minds of his audience by the different types of architecture before them in the form of temples and the later cathedrals and churches. A number of interesting legends were recited which brought out many sides to the life of the Mexican people. The great Pyramid of the Sun was shown before it was uncovered by the government and in its now perfect state. It is said the removal of earth, rocks, and immense trees called for an expenditure of a million dollars. Two more pyramids will be exposed as soon as the money is available the larger of which is much greater in size than any so long made a part of everyone's knowledge of Egypt.

Bishop Keator's address on "The By-products of Life" was full of good thoughts and help to all, bringing forth a round of applause which means another night with the bishop if possible.

Last but not to be slighted came the supper served in the chapter rooms under the direction of the Hotel Tacoma management.

During the evening and while supper was being served the National Bank of Commerce quartette were on deck with selections many and of the sparkle which delights the man with ink on his fingers and Burroughs bruises.

VIRGIL W. FELL.

ENTER THE CLEARING HOUSE

At a recent special meeting of Chicago Clearing House Foreman Brothers' Banking Company was admitted to membership. The bank has \$1,000,000 capital and deposits of about \$10,000,000.

This addition makes twenty members of the

local clearing house, including the local assistant treasurer of the United States. There are six national and thirteen state banks and trust companies in the association.

KANSAS CITY CHAPTER

The Kansas City Chapter of the American Institute of Banking held its final meeting of the season last week. Following a dinner at the Coates House the following officers were elected: President, G. G. Moore of the New England National Bank; vice-president, D. A. McDonald, of the Fidelity Trust Company; secretary, A. B. Eisenhower of the Southwest National Bank, and treasurer, P. A. Adams of the Title and Savings Bank. The executive committee is composed of C. W. Allendoerfer of the First National Bank, J. M. Stilwell and Joseph T. Heydon of Houston, Fible and Company. A. B. Eisenhower and Jerome Thralls, manager of the Kansas City Clearing House were named as delegates to the national convention of the institute in Rochester, N. Y., September 8th. W. H. Potts is the first alternate.

BANK BUILDING'S BIG PROFITS

In its financial statement the National Safe Deposit Company, owner of the First National Bank Building, showed net profits of \$347,262 for the year ended April 30th. This amount is equivalent to 13.9 per cent on the \$2,500,000 capital stock.

The statement shows also that the directors have restored to the surplus account \$1,000,000 of the \$1,072,000 previously charged against that account and applied to the reduction of the book value of the real estate, building and leasehold. This book value has been marked up \$1,000,000, or from \$4,000,000 to \$5,000,000.

The company has a surplus of \$406,242 aside from the \$1,000,000 restored to the account. This latter item, \$1,000,000, will soon be charged over to capital. The stockholders will vote on June 13th to increase the capital by that amount, the new stock to be distributed as a stock dividend of 40 per cent.

ATSERVICE IN THE FIELD

John J. Arnold, manager foreign department of the First National, Chicago, is spending three or four weeks in the South, attending the Texas convention at Dallas, the Oklahoma convention at Oklahoma City and the Missouri-Kansas convention at Kansas City. Mr. Arnold is considered one of the ablest men in the North on the subject of financing cotton in relation to foreign exchange, having devoted years of study to this particular phase of the industry.

W. H. Monroe, assistant cashier of the First, Chicago, was a delegate to the Presbyterian General Assembly at Atlantic City, an honor testifying to the high standing of this Christian gentleman.

INDIANA GROUP MEETINGS

Group Two, Indiana Bankers Association, met in South Bend May 18th. Group Six will meet at Connersville May 26th.

SOUTH CHICAGO STATE BANK

State auditor has chartered the South Chicago State Bank; capital \$200,000.

SUCCESSFUL GROUP MEETING

Davenport, Iowa, May 18.—The meeting of Group Eight of Iowa Bankers Association held here on the 11th inst., had many of the aspects of a state convention and set a new high-water mark for attendance at group meetings in Iowa. With 103 banks in this group, there was a registered attendance of 206 bankers.

The afternoon business meeting was replete with interesting features, the principal address of the day being delivered by Hon. John L. Bleakley, state auditor, who explained the workings of the state banking laws. Mr. Bleakley in his address brought out the interesting fact that for the past three years and six months there has not been a bank failure in Iowa,—a record which would be hard to surpass by any state in the Union.

Ernest R. Moore, one of the leading members of the last Iowa general assembly, told in detail of legislation affecting bankers passed during the recent session. The most important measure was that relating to the taxation of moneys and credits in Iowa, by the terms of which they will hereafter pay the nominal tax of 5 mills. Another important enactment of the recent legislature was the repealing of the tax ferret law, so that hereafter these subterranean "vermin" will cease to operate in Iowa. It is the general belief that the passage of these laws will do much to encourage the investment of outside capital in Iowa enterprises.

A number of resolutions were considered by the assembled bankers, the most important one of which was the following, offered by Hon. A. F. Dawson, president of the First National Bank of Davenport:

"Resolved, That Group Eight, Iowa Bankers Association, endorses the principles of the currency plan proposed by the chairman of the national monetary commission, and favors the enactment of these principles into law."

This resolution was adopted after an extended consideration.

The officers were elected for the ensuing year as follows:

President, J. W. Reihman of Grand Mound. Secretary, F. L. Butzloff, Charlotte.

The meeting closed with a banquet in the evening at the Commercial Club at which nearly 200 guests were present and the unanimous expression was that Davenport had added fresh laurels to her reputation for royal entertainment.

WARM CHAPTER CAMPAIGN

The annual election of the Pittsburgh Chapter, American Institute of Banking, will take place on May 23d, and a warm campaign is now on. One ticket is headed by S. M. Shelly, of the Bank of Pittsburgh, N. A., for president, and A. W. Schreiber, of the Carnegie National Bank for, vice-president, B. O. Hill, of the Second National Bank, is nominated for secretary, and A. T. Martin, of the Terminal Trust Company, for treasurer. The opposing ticket is headed by H. E. Hebrank, Union National Bank, for president, B. O. Hill, Second National Bank, secretary, and W. A. Royston, Jr., Fidelity Title and Trust Company, treasurer.

James C. Cunningham, secretary-treasurer of the Union Trust and Savings Bank of Spokane, has gone to Chicago on a business trip to occupy three weeks.

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FOR SALE—Miscellaneous

For Sale. At a great sacrifice, beautiful mahogany and marble bank fixtures complete with grills, cages, counters, etc., suitable for a banking room containing about 3500 square feet of floor space. Also a safety deposit vault containing 2514 boxes of various sizes with mahogany coupon rooms, wall desks, etc. For further particulars address F. G. Fisher, 450 Railway Exchange, Chicago, Illinois.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

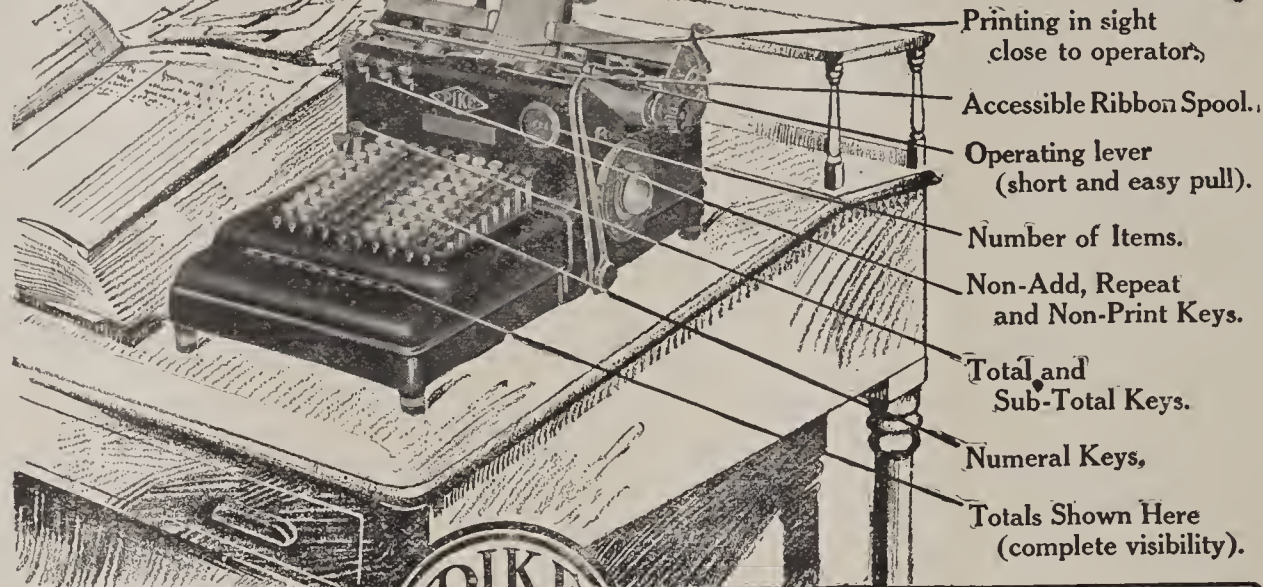
THE CHICAGO BANKER,
407 Monadnock Block, Chicago.

"THE YOUNG PITCHER" FOR BOYS

There is a new literature for boys, which is not made up of adventures purely as of yore. It is something better. Of this class in junior fiction Zane Grey is an accepted writer. Mr. Grey's "The Young Forester," among the best of the out West stories that boys delight in, has had a decidedly happy inspiration in his latest story, "The Young Pitcher." For some reason the characters and events of this tale have proved favorable to that vein of writing which we all recognize as typical of the best stories for boys, and all relish at whatever age.

Perhaps it would help to explain the phenomenon to say that the story has a great deal of atmosphere. The whole group of young men—college students—in "The Young Pitcher" are thoroughly alive, and their rival-

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Entire keyboard is under the operator's hand. Flexible or locked keyboard. **Lowest** keyboard made. **Complete visibility.** Every item visibly printed. Every figure printed is always before you. Counter records number of items added. Short, easy, close handle-pull. Exclusive Burroughs feature of separate keys for Totals and Sub-totals which are printed in red; Totals marked*; Sub-totals marked "S". Items **not** added are automatically marked#. **You** do not need to change your position for a single detail. The machine is compact. Easily moved about on your desk. If you leave the machine, your figures will be safe (you can take the handle with you—thus locking the machine). Hand or electric operation.

The Burroughs Visible Pike Model is about as large as a typewriter and with it a boy can do all kinds of figuring in one fifth the time of a "lightning calculator."

Figures are "put into" the machine by depressing keys. They are printed on paper in even rows and added by pulling a handle. Pressing a button while pulling the handle prints the total at any time.

It also subtracts, multiplies and divides.

Burroughs are made in 78 models, priced according to what they do—from \$175 to \$850—and sold on easy terms.

Like every other Burroughs, the Pike is backed up by the "Burroughs Guaranty," which means a perfect machine and a lifetime of

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If by accident the machine is injured in any way, call our Service Department (an office near every user) and another machine will take the place of yours immediately. Then, too, you will receive the benefit of Burroughs System Service, which sends you periodically the summary of the best systems devised, and Burroughs Invention Service, which gives you the privilege of taking advantage of future developments, at very little cost.

Sold at a small price—on easy monthly payments if desired.

Write us today, on your business letterhead for information regarding a free demonstration in your office.

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ries, likes, and dislikes are very real. There is not only adventure, but a very jolly kind of life, and that gives zest. This is as much as to say that the grown-up reader cannot well help yielding, however shamefacedly, to the fascination of it. Mr. Grey's story has a wealth of exciting incident and a happy way of causing just the appropriate thing to happen, without which it is to be suspected that not only boys but older readers would be somewhat disappointed. In other words, "The Young Pitcher" has just that touch of naïveté which is probably, after all, what we like most in things of the sort. For nothing could be worse than a half-hearted attempt in this vein. We want the genuine, full-flavored joyousness that belongs to the spirit of the thing.

Published by Harper Bros., at \$1.25.

WALSH PROPERTY LIQUIDATED

The Chicago clearing house committee has approved the sale of the Walsh coal properties which will give to the banks about \$1,350,000 to be distributed in dividends on the series C certificates, issued at the time of the final set-

tlement with Mr. Walsh. The original issue of the Walsh series C certificates was \$9,149,464. From time to time dividends amounting to \$5,077,397, or 55 1/2 per cent, have been paid. The balance due is \$4,071,066.

H., S. & M. SHARES TAKEN

Hart, Schaffner & Marx' issue of \$5,000,000 preferred and \$15,000,000 common stocks met with a satisfactory reception in Chicago. It is understood that the insiders took \$1,000,000 of the preferred and \$12,000,000 of common stock. The underwriting syndicate took \$4,000,000 of the preferred and the remaining \$3,000,000 of common was divided in bonuses of 40 per cent to the underwriters of the senior shares and 60 per cent to Ladenburg, Thalmann and Company and A. G. Becker and Company, the firms that promoted the organization.

The company's sales last year were \$15,234,507, and net profits were \$937,381. The preferred will carry a 7 per cent dividend, while no dividend can be declared on the junior issue until there is a surplus of at least \$500,000.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

will give his entire time to the bank and its customers.

FORTY-SEVEN additional postal savings banks have been located by the postmaster-general. They will bring the total to 176. Canton, Ill., is one of the places selected, and among others to be chosen are Sullivan, Ind.; Red Oak, Iowa; Marquette, Mich.; Eveleth, Minn.; Cape Girardeau, Mo., and Rhinelander, Wis.

CURRENT EVENTS CLUB, up Evanston way, had a galaxy of talent for the last Sunday meeting. The National Reserve Association plan was the topic and the speakers were Charles G. Dawes, Edward S. Lacey, David R. Forgan and Judge Orrin S. Carter of the Illinois supreme court.

WHEN you come to Chicago you can have a lady cabby, a lady barber, a lady boot-black and—next?

KANSAS is going a step further in the line of supervision and inspection by the banking commissioner. Not only private banks, but house bill No. 906 puts investment houses, local or foreign, under the strictest kind of supervision. The stock and bond business hasn't been very gay recently and probably this will not help much. Contracts with those for whom it would sell, and with those for whom it would buy, must be shown. In fact the bill is very drastic.

AMONG other things an investment firm or partnership, before obtaining the necessary license must sign an irrevocable consent to be sued by any one in any county of the state on the mere serving of a process on the secretary of state.

ANY mis-statements (fancy the wireless or air line companies going to Kansas, to say nothing of mining promoters) in circulars, will be punishable by both fine and imprisonment. The man who failed the other day on Wall Street for a million and a half with "no assets" probably will steer clear of Kansas for attempting to do a large business on small (or no) capital will be contrary to law.

CLAIMING that Hill, Armour or Patten are secretly behind the deal, when they are not, will get a term on the stone pile for the broker. Branches of houses located in other states are included in the supervisory powers. Even the method of keeping the books is prescribed.

CALIFORNIA invitations are out for their state convention at Lake Tahoe June 15th-16th-17th. W. H. High is president and R. M. Welch, secretary.

NEW YORK is after McDougal, chief examiner for the Chicago clearing house, to set up and conduct the same system in that city. The query is how old New York could keep in business without the aid of Chicago trained bankers and bank examiners.

TEXAS has a membership in her state association of 1,193, net growth of 100 for the year. Eight years ago the list totaled 570. Only 128 banks are going it alone, having refused all appeals to come in and pay dues.

IN Texas the district or group chairmen have been a great help in the membership battle, and in Texas, the non-member banks get too many association benefits. Iowa and other states tried out the good fellow plan but it failed. No service whatever should be given to banks which refuse to join and contribute toward expenses.

SECRETARY HOOPES has the full confidence of at least one Texas banker who recently wired him to "go up to the Capitol at

once and have that bill killed." Hoopes responded at once but found the bill already "killed." This he kept to himself and thus has at least one constituent who tells how "me and Hoopes killed the bill."

TEXAS has a good protective department and spent \$4,000 last year in running down bank crooks, handling in all 28 cases in which 21 arrests were made. The losses by member banks are growing less year by year. Chief Detective W. A. Boyd, thinks habitual forgers and bank crooks should go up for life.

UNDER that S. C. decision we are to have a sort of "justifiable restraint of trade" just as we have justifiable homicide. Get the view?

OLIVER C. FULLER, president of the trust company section, told the banqueters in New York, how the trust company section had increased in 15 years from seventeen to 1,100 members. He put the total number of trust companies at 1,800 with five billions in resources.

MR. FULLER advocated standardization as beneficial to all and this doctrine was well received by his hearers. That uniformity of trust company laws is quite as desirable as uniformity of banking laws was the "sense of the meeting."

CHENEY did a lot (as state banking commissioner) to bring on clearing house examinations in New York. He thoroughly demonstrated the inefficiency of state examination where big stakes are being played.

RUMOR has at that some of the New York trust companies will "stand pat" and remain out of the clearing house, and out from under its new and drastic plan of special examinations. This will give the public a chance to show its preference.

THE CARNEGIE, if still open, would be a stand patter!

GROUP SIX, Indiana, will meet at Connorsville, May 26th. Regular subpoenas were issued and lapel tags sent out in advance by Chairman Dan S. Perry, attested by Lucien Harris, secretary.

THE big New Orleans special is under way and readers of this column can get choice locations in compartments by applying direct to THE CHICAGO BANKER. Chicago banks take compartments three at a clip, so don't delay. There will be a "Presidential" car, a "Twin City" car, "Iowa" and perhaps a "Michigan" car.

HERE as how: G. M. Reynolds 2 drawing rooms, August Blum 2 compartments, Lucius Teter 3 compartments, Fletcher Farrell 2 compartments, H. E. Otte 2 compartments, John and Stoughton A. Fletcher 2 compartments, E. A. Hamill drawing room and 1 compartment, William Livingston, Frederick Kasten and Oliver C. Fuller each 1 drawing room. Then there is a long list of singles, enough to fill five cars. Will try to haul it all on one train if it takes four engines.

CASHIER.

GRAHAM-LORIMER WEDDING

Ralph Richard Graham, son of Andrew J. Graham the banker, is to wed Elizabeth, the beautiful daughter of Senator William Lorimer on the 25th. Admission to the church will be by card. Social rumor has it that a handsomer couple, nor a more popular one, could not be found. Young Mr. Graham is cashier in Graham and Sons' bank of which his father is president and chief owner.

Trustees of the sanitary district have ordered payment of \$148,966 to the Baltimore and Ohio for land it acquired along the south branch of the Chicago River by condemnation proceedings over a year ago. The litigation is now concluded.

ANOTHER JACK LONDON STORY

Surely Jack London is as prolific an author as the most sedulous reader could desire. Just a short time ago his "When God Laughs" was achieving such marked popularity, yet now he is publishing through the MacMillan Company (New York) a rousing tale, "Adventure." Despite the title his latest book is not a pure adventure story but contains a strong tincture of romance, romance minus stirring love scenes, owing to the very strong dislike of the heroine to everything bordering on the sentimental. It is about an Englishman, Dave Sheldon by name, all alone on his plantation on an island in the South Seas, in charge of several hundred man-eating blacks. To cap his perilous situation among a mutinous people he is taken ill with the pestilence and only by sheer strength of will conceals his condition from the natives which, if discovered, would mean his certain death at their hand. It is here that there appears very opportunely on the scene Joan Lackland, a shipwrecked American girl who, although very pretty, was almost masculine in her self-reliance and eagerness for adventure in spite of her recent narrow escape. That she nurses our hero back to health and then makes him repeatedly miserable by her to him unaccountable persistence in going swimming where there were sharks and doing equally perilous things, but at the same time makes his plantation a paying proposition, is only a part of the story. Adventures in plenty await them and, when an American, handsome and to Sheldon a very formidable rival is added to the personnel, still more exciting plots are concocted by the blacks. How this mere handful of whites, miraculously as it were, circumvent all the natives' designs, be it poisoned thorns or traps, and resist all attacks, while the latter, not so fortunate, suffer some loss of life, is told in Mr. London's most absorbing style. It is quite evident that this barbaric people are not mere creatures of fancy, and in this story, as in all others, he has shown his usual ability in portraying men, one of the characteristics which will always make his books worth reading.

LA SALLE STREET NATIONAL

(Continued from page 1)

membership in the Chicago Clearing House Association as soon as possible in order to be on an equal footing with other banks in the city," said he. "The Corn Exchange National Bank has been very kind to us and we have no complaint to make.

"When we first began clearing through the Corn Exchange National it was for six months, as a bank must go through a six months' probationship before it can be admitted to membership in the clearing house body under the rules of that organization.

"But the Corn Exchange has carried us for a year now, and we desire to gain a membership in the clearing house association in preference to this arrangement."

Senator Lorimer stated that he had no reason to doubt that the clearing house committee would act favorably on his application inasmuch as LaSalle Street National affairs were all that could be asked for. Other bankers stated that they could see no objection to having the application granted, it being desired that all who could qualify should join the clearing house. Many inquiries from outside bankers have come to Chicago houses this week, since the latest newspaper attacks, to learn if the LaSalle Street National was all right. Some very spirited answers were sent denouncing the newspaper insinuations and upholding the Lorimer institution.

Robert Lecouver, a banker of Westford, N. J., committed suicide by drowning.

An Up-to-Date Bank cannot long

71¢
PRESS ONLY ONE KEY
PAYS MONEY



Pressing ONLY ONE KEY
Completes the Transaction

combat the money-saving argument of labor-saving equipment, especially when our machine must make good on your own counter.

The Brandt Automatic Cashier is used and endorsed by

Over 5000 Bankers

It is infallibly accurate and saves 25% in time. A moment's time, a postal will bring full particulars of our interesting offer to bankers.

BRANDT CASHIER COMPANY
727 SOUTH DEARBORN STREET · CHICAGO



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

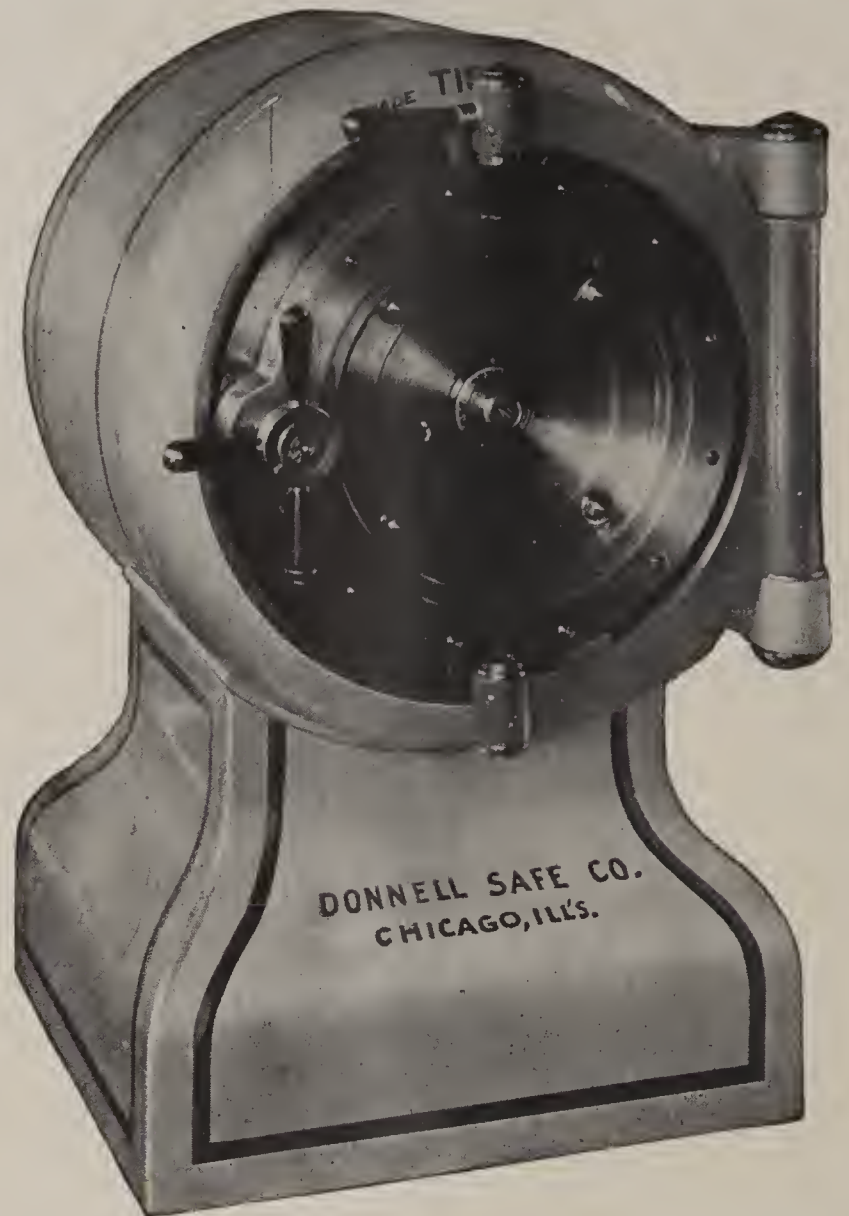
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Deposits, May 6, 1911 - - 29,031,750.04

OFFICERS

ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best equipped safe factory in America. Their Manganese safes are superior to any in the market and we will furnish you with insurance for \$3.50 per thousand for three years. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal if not superior to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

FOURTH STREET NATIONAL BANK

OF PHILADELPHIA, PA.

Capital - - - \$3,000,000.00
Surplus and Profits - - 6,400,000.00

**UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED**

SIDNEY F. TYLER, Chairman of the Board
E. F. SHANBACKER, President
JAMES HAY, Vice-President
B. M. FAIRES, Vice-President
FRANK G. ROGERS, Vice-President
R. J. CLARK, Cashier
W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier

The Girard National Bank

OF PHILADELPHIA

Capital, - - - \$2,000,000.00
Surplus and Profits, 4,450,000.00
Deposits, - - - 38,500,000.00

FRANCIS B. REEVES, President
RICHARD L. AUSTIN Vice-President
THEO. E. WIEDERSHEIM Second Vice-President
JOSEPH WAYNE, Jr. Cashier
CHARLES M. ASHTON Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MAY 27, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

New Orleans Train de Luxe

The Chicago committee in charge of the train de luxe to the New Orleans convention consists of the following well known Chicago bankers.

Ralph Van Vechten, vice-president of the Continental and Commercial National.

August Blum, vice-president of the First National.

H. E. Otte, vice-president of the National City.

J. Fletcher Farrell, vice-president of the Fort Dearborn National.

D. A. Moulton, vice-president of the Corn Exchange National.

W. G. Edens, assistant secretary Central Trust.

Reservations can be made through any of these committee-men or through the publisher of THE CHICAGO BANKER. Nearly seven cars have been taken already and still they come. Among the later arrivals are B. F. Harris, Champaign, Ill., who then will be president of the Illinois Bankers Association; Nelson H. Greene, Moline, and ex-president of the association and the new Illinois member of the Big Council; E. E. Crabtree, present head of the I. B. A.; E. J. Parker of Quincy; President Vogel and E. J. Hughes, First National; Fred Kasten, Wisconsin National and Oliver C. Fuller, Wisconsin Trust and J. H. Puelicher of the Marshall & Ilsley Bank, all of Milwaukee.

From Minneapolis Joseph Chapman, Jr., and George F. Orde and George C. Power of St. Paul. Reservations can be made through Mr. Chapman for the Northwest, or direct as desired.

The Iowa car has C. H. McNider, "right in the middle" and Arthur Reynolds next door. Don't put this off too long. R. T. Forbes, president of the First National, St. Joseph, Mo., has a drawing room. He is an Illinois-Iowa-Missouri banker—well known in all three. Then there are Gordon Jones, Denver, and A. H. Marble of Cheyenne. All Chicago banks are in.

Banking Opinion

Festus J. Wade, of St. Louis, chairman of the special committee of the A. B. A. currency commission, sees no reason why all state institutions, trust companies, banks, savings banks and mutuals cannot come in on the same terms as national banks as members of the proposed National Reserve Association.

Mr. Wade says the new scheme provides that state banks and trust companies may, without nationalizing, become members of the National Reserve Association, under practically the same conditions as the national banks and that it is to be provided:

"That a bank or a savings bank which is incorporated under the laws of any state, in accordance with the requirements of which it has been examined and has published statements of its condition, or, in the absence of such requirements of state laws, upon approval

of the executive committee of the National Reserve Association, may subscribe to the capital stock of the National Reserve Association in the same manner and under the same conditions as prescribed for national banks, and such subscribing bank shall become a member of a local association and have the same rights and privileges therein as if it were a national bank; provided:

"That it shall have a paid-in capital of not less than that required for a national bank in the same location.

"That it shall have and agree to maintain against its demand deposits a reserve of like character and proportion required of a national bank in the same location; provided, however, that deposits which it may have with a state bank, a savings bank, or a trust company, in a city designated in the national banking act as a reserve city or central reserve city, whose paid-in capital is not less than the minimum amount required for a national bank in such city, and, in the case of a trust company, not less than that hereinafter specified for a trust company in such city and which is a member of a local association, shall count as reserve in like manner and to the same extent as similar deposits of a national bank with national banks in such cities.

"Provided further that liabilities for deposits payable beyond thirty days and for savings deposits subject to notice of sixty days

Two Young Bankers of Promise



JOHN S. BROEKSMIT
CHICAGO

Mr. Broeksmit is the new cashier of the Harris Trust and Savings Bank of this city, and, like a lot of other good Chicago bankers, came from Iowa. He was cashier of the Merchants National at Cedar Rapids. The Harris Trust has increased its surplus to \$1,500,000 and will shortly increase the capital to a like amount. This surplus, equal to the capital, has been earned in four years.

Mr. Allendoerfer is one of the active, junior bankers of Kansas City, being an assistant cashier in the First National. He has a talent for speaking and was on the Oklahoma program this week.



C. W. ALLENDORFER
KANSAS CITY

or more, shall not be subject to the reserve requirements provided for demand deposits.

"That it shall agree to submit to such examinations and comply with such requirements as may from time to time be prescribed by the National Reserve Association."

The same condition, practically, will apply to the other classes of banks and to trust companies.

TENNESSEE BANKERS TO MEET

Memphis, Tenn., May 24.—The annual convention of the Tennessee State Bankers Association will be held in Nashville on May 29th and 30th. Most of the local bank officials are members of the association and a large delegation will attend from Memphis. Dwight M. Armstrong, cashier of the Commerce Trust & Savings Bank, is the retiring president. J. D. McDowell, of this city, is vice-president for West Tennessee. Wesley Drane, of Clarksville, is chairman of the executive council and in line for promotion to the presidency. The sessions will be held at the new Hermitage Hotel. Among the important papers to be read at the meeting will be one on the Aldrich plan for monetary legislation, by John Perrin, of the Fletcher Bank of Indianapolis, and an address by William Livingston, president of the Dime Savings Bank of Detroit, who is also vice-president of the American Bankers Association.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$10,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary
EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor
JOSEPH McCURRACH - - - Manager Foreign Department

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

181 LaSalle Street

CHICAGO

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Bayne, Ring & Company Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

111 W. Monroe Street

Chicago, Illinois

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital - \$1,250,000
Deposits 10,000,000

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

OFFICERS

JOSEPH E. OTIS, President
WALTER H. WILSON, Vice-President
LAWRENCE NELSON, Vice-President
HARRY MOORE, Cashier
ADDISON CORNEAU, Asst. Cashier
LLOYD R. STEERE, Asst. Secretary
W. C. COOK, Vice-President
W. G. WALLING, Secretary
A. E. COEN, Asst. Cashier
LOUIS H. SCHROEDER, Mgr. Bond Dept.

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

JUST as we told you, the decision had no effect whatever—not on the price of oil or gasoline.

EDENS will be on more programs this year than any other Chicago banker. He addressed a congress of historical societies the other day where the next youngest man present was 79. You can't keep a good man down!

JOHN SCHUETTE'S Oklahoma address is one of the best of the year. It was along the main traveled roads of his recent years of active advocacy of deposit guaranty and pleased the Oklahomans immensely.

EVERY group meeting date for Illinois has now been set and the only remaining thing to do is to get ready to attend. Every big, loyal, Illinois bank will send a representative to every meeting.

HONESTLY, don't you think the limit of decency has been reached when a partisan paper attempts to start a run on a bank to further the political plans of some of its owners? Little wonder that favorable comment by such a paper will kill a bill in the legislature. Black-hand journalism is its proper description.

SECRETARY W. B. HARRISON of Oklahoma reported but 53 non-members in the state and total receipts in the secretary's office of \$7,305.23. The Oklahoma Banker, an official publication, shows a profit. "The expense of publication was paid out of general fund." The membership is 85.

THE official report states: "It was to be expected that when the secretary began devoting all his time to the work the earnings of the office would increase, and when the present secretary took the position it was stipulated that he should work for the association only. The results are herewith submitted. The earnings of the office outside of dues have more than doubled."

DO you remember what a long time it took to get the Illinois association even to consider a paid secretary? Poor old constitution, how many reforms were sacrificed to thy cruelties!

SECRETARY HARRISON also reported that "Five bank burglars and thirteen swindlers have been convicted and sentenced this year. Three others are now facing trial and officers are trailing four who have fled to other states. The protective work has been made more effective by a co-operative agreement between the bankers associations of Nebraska, Kansas, Missouri, Arkansas, Oklahoma and Texas. This department's activities can be successful only as members of the association endeavor to co-operate with the secretary's office when called upon to do so. There is need of improvement along this line."

THIS progressive Oklahoma secretary also says that "Eight months' experience in the office of secretary leads me to say that this office offers a very large field of endeavor and

constantly increasing opportunities to uplift the banking interests of the state and to advance those great industrial enterprises on the prosperity of which the success of the banks largely depends. The field is bounded only by one's ability and energy. To the officers of the association and to the hundreds of members who have given me loyal support I desire to express my sincere appreciation and gratitude."

THIS is the proper view of the office. It is wrong to try to appropriate the functions of the elective officials, as some do, but there is plenty of important work for any state secretary to do if he faces forward.

PROFESSOR A. C. SCOTT in welcoming the bankers to Oklahoma City said: "And no business is at once more honorable and more honored than the business of the banker. I hardly know, indeed, whether to call it a business or a profession. Perhaps I may safely compromise by calling it a business profession. And I repeat that it is both honorable and honored. The family banker runs a close race with the family physician in the confidence of his patrons. It is a pleasant feature of our business life, of which I hope you gentlemen are duly appreciative, that every well regulated citizen refers with pride and affection to 'my bank' or 'my banker.' And this confidence is, in the main, absolutely justified."

"I GIVE it as my deliberate opinion that there is no body of our business men which, in honorable dealing, in high standards of integrity, and in strict fidelity to the trust reposed in it, ranks higher than the bankers of our country; and within our own borders the same may be asserted of the bankers of our state. Character is, indeed, the very corner stone of the business. You may make as many guaranty laws as you please, but the trust of the people rests in the end upon the character and the capacity of the man behind the bank."

THIS ought to help some. In the last political campaign, in Oklahoma, some less kindly things were said.

CASUALTY rates are to go up anywhere from 15 to 1.015 per cent by an agreement between about sixty companies. This is the record for hold-up boosts in prices. Even as prices were, the going dividend rates were about 40 per cent.

WOULDN'T it be fine to have George E. Roberts for comptroller, if Murray is to quit? He's the type of man every banker in the country could endorse. Murray has been offered the presidency of a big Pittsburgh bank and probably ought to accept. He's earned his spurs.

FIFTY new postal banks go into commission soon, one at DeKalb, Ill. They haven't hurt the banks as some feared and yet may increase the "visible" supply of coin.

EUGENE SCHMITZ, the former labor-graft mayor of San Francisco invested all of his ill-gotten wealth in Mexico and now is broke. 'Twas ever thus.

EASTERN financial papers generally commend the Standard Oil decision—even those on the subsidy list.

MEXICAN investments will have a new "talking point" when Diaz steps out. If you want a "fixed" investment it will do pretty well. For a fixed income try something else.

LAST year Secretary Keyser reported one non-member bank, although it had joined after the printed report was out, on the very eve of the St. Louis convention. Now there are 47 new banks and 47 new members were reported at the Kansas City meeting. This is a great record and it all is accomplished so quietly, modestly and easily that the other secretaries look at the Missouri wizard and wonder how.

THE Missouri total is 1,320 which includes brokers and non-residents in addition to the 1,294 banks of all kinds in the state. Commissions earned by the secretary's office for the year amounted to \$9,112.03 and plus the annual dues makes up a fine business statement.

MR. KEYSER apparently believes that some of the sheriffs do not care to meet a desperate criminal, even after the state association has offered a big reward. With them it is a case of "Let George do it." He believes fully in the protective system now in use which combines the offering of large rewards and the hiring of good detectives. Only seven safes were broken in Missouri banks last year and all of them were of the old fashioned, square-door variety.

OF the 23 cases of fraud upon banks Mr. Keyser believes that a majority were due to pure carelessness on the part of the banks doing business with strangers. In the cashing of worthless drafts and checks Mr. Keyser brands it as "sheer carelessness," and who is there to deny it? The cases of loss after due precaution are few.

MISSOURI has nearly fifteen million in bonds in force and is meeting fierce competition in rates. Loyalty of members is shown by their sticking by the association. Thornton Cooke, chairman of the bank taxation committee, is given much credit for work done and results accomplished.

THERE was but one bank failure in Missouri in the past year—the Bank of Tipton. The state banking department took charge and paid out in full in 60 days. No need of bank guaranty in a state like that. A fine banking law, carefully and fearlessly administered does the trick. Not a depositor lost a dollar.

TWO Chicago detectives, Timothy O'Brien and John Duffy, got \$200 good Missouri money last July for arresting J. C. Hardbeck for defrauding St. Joseph bankers. Rewards do work when they are known to be payable in cash.

P. F. MCCARTHY & COMPANY, private bankers, Chicago—same old story.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
R. M. MCKINNEY, Cashier
JAMES M. HURST, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. H. HURLEY, Asst. Cashier

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
C. T. JAFFRAY, Vice-President
A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President

D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President

CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Clarence Buckingham
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Edward B. Butler

Charles H. Hulburd
Edwin G. Foreman
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Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

CHARLES G. DAWES, President
WILLIAM R. DAWES, Cashier
A. UHRLAUB, Vice-President
E. F. MACK, Vice-President
WILLIAM T. ABBOTT, Vice-President
ALBERT G. MANG, Secretary
MALCOLM McDOWELL, Assistant Secretary
WILLIAM G. EDENS, Assistant Secretary
JOHN L. LEHNHARD, Assistant Trust Officer

DIRECTORS

A. J. EARLING, President Chicago, Milwaukee & St. Paul Ry. Co.
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ARTHUR DIXON, Pres. Arthur Dixon Transfer Company
CHARLES T. BOYNTON, Pickands, Brown & Co.
ALEXANDER H. REVELL, President Alexander H. Revell & Company

S. M. FELTON, Pres. Chicago Great Western Ry. Co.
T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT
CHARLES G. DAWES, ex-Comptroller of the Currency

Missouri and Kansas

Big joint meeting with speakers of National reputation held at Kansas City by the two State Associations

Kansas City, May 25.—The joint convention which has been in session in the two Kansas cities for the past two days had such a large attendance that it easily will rank second only to the national convention to be held in New Orleans this fall. The Missouri bankers' program always provides fine entertainment for those who attend, and even when there is no added attraction the crowd at a Missouri convention is one of the largest of all meetings held by the state association. This year the Kansas bankers held their convention in Kansas City, Kansas, beginning yesterday morning, and the Missouri bankers opened their proceedings at the same time at Kansas City, Missouri. One very interesting joint session was held at which the attendance was limited only by the capacity of the hall.

The Missouri Program

The Missouri convention was called to order promptly at ten o'clock Wednesday morning in the Wood Theatre by President A. O. Wilson of St. Louis. There was a prayer by Rev. J. B. Silcox, and a ringing address of welcome by the reform mayor of Kansas City, D. A. Brown, and on behalf of Kansas City clearing house a further welcome was extended by President J. F. Downing of that institution. President Wilson of the state association combined a response on behalf of the delegates with his annual address covering the banking situation in the state for the past year. Reports were read by Secretary W. F. Keyser and by Treasurer R. R. Calkins. A large crowd was in attendance eager to hear the famous Nebraska banker-orator, E. R. Gurney of Fremont. His address and others will be found printed elsewhere in this edition of THE CHICAGO BANKER.

The morning session closed with reports of the group chairmen which included the naming of places for the next group meetings and for selecting a member of the nominating committee from each one of the groups.

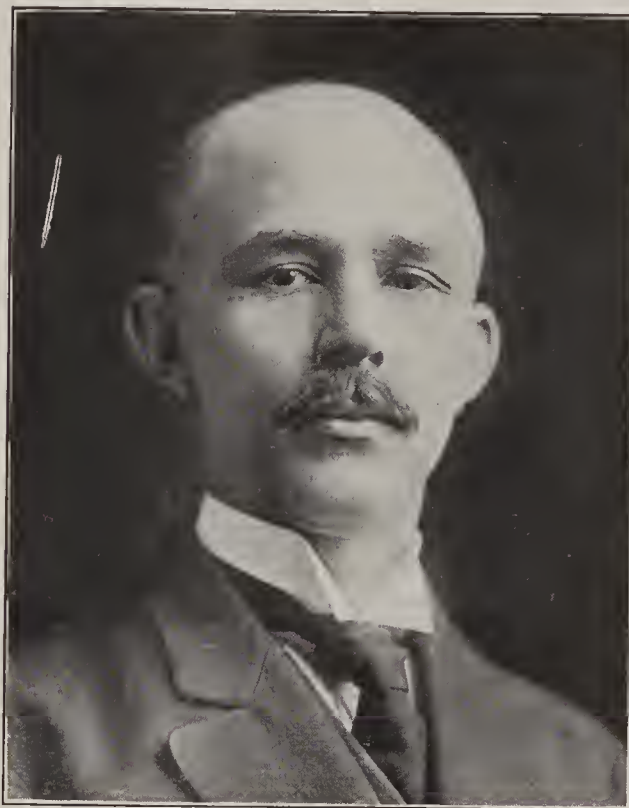
Missouri-Kansas Joint Meetings

The big event, naturally, of the first day session was the joint meeting held by the delegates from Kansas and Missouri at eight o'clock in the evening. President J. F. Downing of the Kansas City Clearing House called the meeting to order and presided. The distinguished David R. Francis, an ex-governor of Missouri, delivered an oration upon "Kansas from the View-point of a Missourian." Honorable W. J. Bailey, an ex-governor of Kansas, retorted in kind, taking for his subject, "Missouri from the View-point of a Kansan." These interesting features of the joint session were immediately followed by a short address by Secretary Franklin MacVeagh of Washington, and a very brilliant, sparkling oration by President F. O. Watts of the American Bankers Association, taking for his subject the grand organization of which he is the head. This joint session, socially and oratorically, will long be remembered in the two states most concerned.

The Session of Thursday

The Thursday morning Missouri session be-

gan at ten o'clock with reports of the group secretaries, giving details of the various meetings the afternoon before. Then there was the auditor's report supporting those made by the secretary and treasurer at the previous session. Byron W. Moser, an ex-president of the St. Louis chapter, A. I. B., spoke on institute mat-



A. O. WILSON
President Missouri Bankers Association

ters and gave way to Judge Charles E. Lobdell of Larned, Kansas, who delivered a philosophical oration upon the subject "Am I My Brother's Keeper?" Judge Lobdell also is president of the First State Bank of Larned and an interesting talker. "International Commerce" was the title of a well prepared paper by Honorable Wm. H. Burges of El Paso, Texas.

Chairmen of the following committees reported the progress made during the year as follows: Thornton Cooke on taxation; J. A. Lewis on bills of lading; W. P. Kennett on rewards; and W. C. Harris on legislation. Immediately following the morning session, members of the American Bankers Association held a meeting to elect a delegate as a member of the nominating committee of the next A. B. A. convention and to elect a member of the A. B. A. executive council to take office at the New Orleans convention.

Afternoon Session

The convention meeting of the second day opened with an address on "Some Recent Legislation" by Judge I. P. Ryland of Kansas City. Following the address of Judge Ryland, the convention took up the following legal questions for open discussion:

1. What are the duties and liabilities of bank directors?
2. To what extent is a bank liable for

transfer of stock or payments of deposit of a deceased non-resident without the estate of such decedent being administered under the laws of Missouri?

3. What is the best form of promissory note for bank use?

This discussion was followed in rapid order by the report of the committee on nominations, election, and installation of officers, and adjournment. Immediately after adjournment the new council of administration, composed of the association officials and group chairmen, elected for the year, held an executive session in the committee room of the Hotel Baltimore.

Social Features of the Convention

For weeks in advance of the convention, there had been at work in Kansas City a reception committee under the chairmanship of E. F. Swinney; an entertainment committee under the chairmanship of G. S. Hovey; a ladies' committee under the chairmanship of W. S. Webb; and a committee on reception of speakers headed by H. C. Flower. The working force of these committees was composed of the leading bankers and members of the Kansas City Clearing House, and the results show the care and attention which had been bestowed upon their respective tasks. In every invitation issued by these committees and by the Kansas City Clearing House, the delegates of both state conventions were included. On Wednesday at 1 P. M. the speakers, members of the council, officers, and ex-presidents of both state associations were entertained at luncheon at the Hotel Baltimore. At three o'clock all attending delegates were taken to Association Park to witness a game of professional base ball. Special entertainment had been provided for the ladies by the committee. On Thursday evening there was a grand entertainment at Electric Park for which both tickets and transportation were furnished to everyone. Visitors had the exclusive use of the German Village located in the park where a fine German lunch was served and a splendid vaudeville performance presented. This luncheon adjourned at 11 o'clock (P. M.), after which the guests had free admission to all the concessions, and to a dance which was given at that hour in the dance pavilion which had been reserved for the exclusive use of delegates and visitors. Free telephone service was provided within the limits of both states.

Features of the Kansas Meeting

The Kansas bankers met on Wednesday morning at ten o'clock in the Masonic Temple, Kansas City, Kansas. Judge Richard J. Higgins welcomed the visitors and W. Y. Morgan of Hutchinson responded. President W. H. Burks then delivered his annual address, and was followed by a very interesting talk on "The Times" by the Honorable J. N. Dolley, bank commissioner. These three addresses completed the morning session and the afternoon was given up to visiting and recreation in company with the delegates to the Missouri convention as above mentioned. In the evening the Kansas delegates attended the

joint convention mentioned in one of the former paragraphs.

Kansas Convention: Second Day

The second day session of the Kansas meeting convened in the Masonic Temple and heard several splendid addresses. The Honorable Scott Hopkins of Topeka took for his subject "The Country Banker the Community Counselor." He was followed by the Honorable J. P. Hinton of Hannibal, Missouri, an ex-president of the Missouri association, on "Proper Functions of a Bankers Association." Following this came a symposium participated in by national bank examiners. The subject was "Things Revealed in Bank Examinations Most Commonly the Subject of Criticism."

At the afternoon session there were a long list of five minute addresses as follows: "Every-day Problems" by J. C. Broadley, cashier Citizens Bank, Weir City; "Protective Features" by Geo. W. Snyder, cashier Topeka State Bank, Topeka; "The Identity of State and National Bank Interests" by J. H. McNair, president of The Halstead Bank, Halstead; "Our Schoolmasters" by R. M. Sawhill, cashier of Farmers State Bank, Blasco; "Who Runs the Bank" by W. A. Cooney, cashier First National Bank, Mayetta; "Days Off" by M. H. Malott, president Citizens Bank, Abilene; "The Long and Short of it" by Geo. T. Guernsey, Jr., vice-president Commercial National Bank, Independence; "The Value of an Account" by F. J. Atwood, president First National Bank, Concordia; "Our New Competitor" by Jno. R. Lindburg, president First National Bank, Pittsburg; "'Thank You' Services" by C. G. Cochran, president First National Bank, Plainville; "Dignified and Undignified Bank Advertising" by T. B. Brown of Shawnee B. & L. Association, Topeka; and "With Lindburg at Los Angeles" by P. I. Bonebrake, vice-president Central National Bank, Topeka, and the meeting closed with the reports of the secretary and treasurer, and of several committees.

Quite a feature of the Kansas meeting was the singing of special songs written for the occasion at each of its sessions. On the evening of Thursday, the delegates joined those of Missouri and visited Electric Park.

Building and Loan Section

Kansas Bankers Association has a section known as the Building and Loan Section which meets each year on one of the days of the state convention. This year they had quite an important program including the following subjects by the speakers as named:

"A Forward Movement for the Building and Loan Association of Kansas" by J. C. Christensen, Manhattan Building & Loan Examiner; "Impelling Motives" by Fred A. H. Garlicks, St. Joseph, Mo., president Missouri State League; "The Advantages of Weekly Payment Stock" by A. J. Applegate, Wichita, secretary Wichita Perpetual B. & L. Association; "The Law and the Gospel" by Hon. Wm. Needles, Kansas City, attorney for the Gibraltar; "The New Building & Loan Law of Kansas" by Robert Misell, Concordia, secretary Concordia B. & L. Association; "The Relation Between the Moral Hazard and the Physical Value in a B. & L. Loan" by C. S. Hartough, Leavenworth, secretary Citizens Mutual B. & L. Association; "What I don't Know about the Building and Loan Business" by C. B. Dodge, Salina, secretary Homestead B. & L. Association, and the question box in which written questions deposited in the box were read, answered and discussed.

One of the Speakers

One of the speakers was William H. Burges, a distinguished lawyer and peace advocate from El Paso, Tex. His topic was "Internation-

Commercial Commerce." He said in part: "It has uniformly been held that banking is not commerce, within the meaning of the constitution; that one dealing in foreign bills of exchange is not engaged in foreign commerce, within the meaning of the constitution, and, therefore, you, as bankers are especially interested in interstate and international commerce only as it affords you ampler fields for your activities, and as you meet and discharge a function indispensably incident to such commerce.

"I think it may safely be assumed that your primary interest is that the investment of the funds you, as bankers advance, be safe, the demand adequate to the supply at your disposal and the handling of the transaction reasonably simple and expeditious.

"We have laughed at the statement that the cackle of a Kansas hen is heard around the world, but the jest expresses an important truth. So closely has the increased interchange of commodities brought the people of all the nations, so inseparably has the dependence of the industries of one people on the products of another brought the nations of the earth together, that we could not sunder them if we would. The attack of the cotton worm and the boll weevil on the fleecy product of our southern fields bodes more of evil to the people of England than the darkest war cloud on her international horizon. International trade, the application, on a larger scale, of the world-old law of supply and demand, has brought us most forcibly to realize that

"In the gain or loss of one race,

All the rest have equal claim."

"The enormous figures in which the foreign commerce of our country is now stated, alone would indicate it a matter of first importance. The fact that every dollar that pays for our imports goes out through American banks, and that all that comes in from our even greater exports is bank paper at some stage of the journey from consumer to producer—in fact during most of that journey—is enough to interest American bankers in that commerce, and especially you, the bankers of a great producing and exporting state.

"Not only must international trade be made secure and orderly, but it must be just. I am sure I do not misjudge this association when I say that the enterprises to which you lend your aid must, in a larger way, be just, as well as certain. Doubtless no member of this association could be found whose attitude towards any proposition calling for his assistance would

be that of a famous Chancellor of the British Exchequer to one of the foremost educators of Colonial America. When Dr. Blair went to England to obtain money to establish a college in Virginia, and approached the Chancellor, Sir Edward Seymour, for assistance from the treasury, he met a curt refusal. 'You must not forget,' said Dr. Blair, 'that our people in Virginia have souls to save as well as people in England.' 'Souls!' echoed Seymour in derision, 'Damn your souls! Grow tobacco.'

"No unattainable ideal is demanded. I am not unmindful of what has been spoken on the subject by one of the great English judges of the last century—the late Chief Justice Coleridge. He said:

"It is a self-evident truth that the closer the commercial relationship, the more numerous the ties of common interest between two nations, the greater will be the reluctance of one to begin war upon the other, the more willingly will they listen to the appeal of reason to submit their differences to impartial arbitration, and substitute for their waste of war the conserving processes of impartial justice."

In Conclusion

"Before closing I will briefly review the different reforms proposed to remedy our banking system.

"First. It was asset currency, which soon ran its course. Then it was branch banking; this, too, got a black eye when last fall one bank in London failed with some thirty-four branches, then one in New York, with eighteen branches, and then one in Toronto with thirty-one branches. These and the Carnegie Trust Company failures, so quietly and mysteriously caused the withdrawal of deposits in the enormous amount of 190 million dollars, that it puzzled the financial world; this settled too much branching.

"Then came the central banks, but as everything centralized is most obnoxious to the people, this too, was discarded, so much so, that the mighty Aldrich dared not use the term and misnamed his new plan, imported from Europe, and in imitation of an imperial bank clothed in royal robes, as a 'Reserve Association.'

"The primary object of all these measures it is pretended, will cure our currency. The idea! Is there anyone in this or any other country who in the least doubts the safety of our currency. This needs no remedy, as it is the soundest in our whole financial system, and the remedy prescribed will only weaken and may kill it.

"And the other proposed remedy to be applied to our banking system is to facilitate the expansion of credits. This would the more arouse suspicion and undermine confidence, just what is most important not to impair.

"It would act just like a business man, the more he gets into debt, the more he would impair his credit. Well, I need not waste my time on all these measures, and predict that any of these plans will ever be adopted.

"The only other measure coming from an official source was Mr. Fowler's last bill, under which all banks could easily nationalize, as the banks are allowed to receive saving deposits and do other various financial transactions which, owing to the diversity of business would be safeguarding them. But the best feature in it is, that it puts the notes and deposit liabilities all in one class and insures all of the deposits of each bank into a general insurance fund, 5 per cent gold of its note and deposit liabilities. This is an ideal plan, and that it has not been more favorably considered is because Mr. Fowler lost his prestige when he first launched his asset currency measure. The plan is easy of execution without disturbing the popular individual banking system,

(Continued on page 20)

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DEALERS IN

BONDS

CORRESPONDENCE INVITED

President A. O. Wilson to Missouri Bankers

It now becomes my duty to bring to the members of the Missouri Bankers Association in convention assembled, the annual address of the president. I am glad indeed to be able to report that the organization never was in a more prosperous condition. Such a condition is not due alone to the service rendered by the official family. The loyalty of the entire membership is worthy of special mention in this connection. Failure is impossible with such a combination. Reference to the official family and the work which they have accomplished enables me to pay a just tribute to the one officer to whom in largest measure is credit due—to our incomparable secretary (hear! hear!) who, with his most faithful office force, has rendered the membership such splendid service. It is a pleasure indeed to pay this tribute, expressed year after year by retiring presidents, but so well deserved and so modestly received. We have another annual statement to make in reporting a continued solid membership. Such an accomplishment is almost unparalleled in the history of organization life; therefore pardonable in mention on this occasion. This achievement is not without attendant labor. The fact that the membership must be renewed each year establishes the necessity of an annual campaign on the part of the association and group officers. While 90% of the banks of the state renew promptly, there are always a number who do not do so, and in such cases it often becomes necessary during these closing days of the year for the officers and members to do everything in their power within proper limits to bring the delinquent members into the fold. It is well that we are members from year to year. It serves as a stimulus to all of us, for in the renewal of our memberships we are brought in closer contact

with the active life and work of the organization, an organization which was established on a good basis, yes, upon a high basis, for it was at Lebanon, one of the highest points in the Ozarks, that the association was organized in 1891.

We trust you will realize that it is a special privilege to be permitted to join in this, the twenty-first annual convention of the Missouri Bankers Association. We have reached our majority. We have come into our own. We are certainly entitled to all the privileges of a general franchise, the franchise of achievement and accomplishment, the franchise of growth and progress, the franchise of good fellowship, and all that goes with it. Worthy achievement calls for honorable mention and recognition. We have no complaint in that connection. Recognition has come to us as an organization in the fullest measure, and we are satisfied. We realize, however, the responsibilities resting upon us, and we must endeavor earnestly to measure up to same.

It seems to us that it would be appropriate

on this occasion to mention briefly some of the facts in connection with the continued growth and progress of our association since the Lebanon convention. You were given a general idea as to the growth of the association for the last ten years in the figures submitted in our response to the address of welcome, those figures indicating a growth of over 140% in that period. The progress of the association during the preceding ten years was in about the same proportion. The finances of the association, as well as the membership figures, furnish an interesting exhibit. When we assembled at St. Joseph ten years ago we had a cash balance on hand of \$5,638.77, the revenue (Continued on page 12)

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ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,127,000.00

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Oklahoma Convention

Remarkable address by John Schuette of Wisconsin a feature. Fine program of speaking and social events

Oklahoma City, May 23.—The fifteenth annual convention of the Oklahoma Bankers Association, which convened in this city yesterday morning, has in all respects been a record breaker. The attendance was the largest, the program the best, and the entertainment eclipsed anything ever before offered in this state. The meeting was called to order promptly at 9:30 in the Overholser Opera House by President J. B. Ferguson. A. C. Scott welcomed the visitors to Oklahoma City, and President Ferguson delivered his annual address which reviewed conditions in the state and general financial matters in a very entertaining way. Treasurer J. M. Browning and Secretary W. B. Harrison reported. The secretary's report was placed in neat printed form in every seat in the convention hall and it set forth the conditions of the state association in a very attractive way.

A great deal of interest was manifested in the reports of the group secretaries. F. W. Smith of Lawton, Joseph Dvorak of Renfrow, C. D. Rorer of Shawnee, C. D. Davis of Claremore, and B. A. McKinney of Durant reported for the groups from one to five, respectively. This was followed by an address delivered by George B. Harrison, Jr., of Kansas City, reviewing Southwest banking conditions and one of the very best papers ever delivered under similar circumstances. It was printed practically in full in the last issue of THE CHICAGO BANKER, as presented at the Texas convention. At the noon hour the A. B. A. members held their meeting.

Tuesday Session

At the Tuesday morning session President Ferguson opened the question box for half an hour and presided over a most interesting

opening feature. Next came the address on "The National Reserve Association Plan" by C. S. Allendoerfer of Kansas City who was followed by A. B. Grant of Dallas, the national expert, on his favorite topic, "The New Transit System." This was followed by routine reports of committees and the election of officers. In the afternoon of Tuesday the state bankers section held a meeting and heard addresses by I. H. Nakdimen of Sallisaw on "Protecting State Banks"; by Hon. John Schuette of Mani-



J. B. FERGUSON
President Oklahoma Bankers Association

towoc, Wisconsin, on "Deposit Guaranty;" by the Hon. Lee Cruce, governor of Oklahoma; by J. C. McClelland of the state banking board, and by State Senator Roddie of Ada. A free for all discussion closed the session of this section.

The Social Features

The entertainment committee provided a great many feature events which rendered the visit to Oklahoma City by outside guests and delegates quite memorable. There was an adding machine contest at 2 o'clock on Monday, and an automobile ride at the same hour over the city, intended chiefly for the ladies. The objective point was a reception at the home of Mrs. Frank P. Johnson. At 3:30 there was a ball game at the professional park, and at 7:30 in the evening all attractions at the State Fair Grounds Park were thrown open to the visiting bankers. Tickets for everything to be seen were neatly bound up in pass books which were furnished to the visitors. On Tuesday there was a luncheon at the new stock yards immediately following the business session of the convention. Cars were waiting to take all visiting bankers and their guests. After the luncheon, visitors were shown through the yards and packing plants. This part of the entertainment was in charge of the officials of the Oklahoma Stock Yards National Bank and the various packing companies interested. At the close of this entertainment, the cars containing the delegates were run over the entire lines of the transportation company, showing the visitors all of the remarkable features of the coming metropolis of the Southwest.

John Schuette the Central Figure

For six years Oklahoma has been asking Wisconsin's apostle of bank guaranty to come

WILLIAM J. BURNS, President
Formerly U. S. Secret Service
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\$40,000,000.00



to one of her conventions. Well, he came this time, and was the central figure in an important company. Naturally a part of his address was made up of matter which he has heretofore furnished to the readers of THE CHICAGO BANKER. He made an emphatic hit and said in part:

About six years ago I was invited by Cashier E. B. Cockrell, who had read some of my articles on deposit insurance, to address the bankers of Oklahoma on this subject. Oklahoma! Where is it? I had to search for it on the map and asked some one what he knew about Oklahoma. He asked, "What do you want with Oklahoma?" I told him that I had been invited to address the bankers of Oklahoma on deposit insurance. "Why," said he, "Oklahoma is away down southwest, a hot, wild and woolly country, where a man must take his life in his own hands, especially when he gets into a dispute. You had better address them on insuring human life rather than on paltry dollars. At all events if you go, by all means be sure to insure your own life."

As a banker, who has so often had his fingers burnt, is apt to be shy and timid, and a stickler for having everything secured, I hesitated and concluded it would be better to postpone my visit until after Oklahoma had cooled down and become civilized. So I sent an army of 1,000 substitutes in the form of booklets which Mr. Cockrell agreed to drill and march to the front under his generalship. I thought if these are shot to pieces it can not harm me, being safe in the rear. And it seems that these little substitutes valiantly fought for the cause and conquered, far better than if I, as a lone missionary, had taken the field. Since then

Six years have passed
And oh, how vast
Has Oklahoma grown.

At which the Oklahomans are naturally overjoyed. Uncertain themselves as to their fabulous success and progress I am again invited to come and confirm the reality and share the joy with them. I need not now search for

Oklahoma on the map. It is known all over the globe and especially by the financiers who watch it with great interest because it has blazed the way for the safest banking system on earth, which will be finally adopted by all states, and the nation, and who knows if not by other countries.

There is nothing since the birth of our country that will give so much relief to our people as absolutely safeguarding their moneys and eliminating bank panics. Your attempt in this regard has advertised Oklahoma more than anything else could have done. When your secretary, C. D. Rorer, invited me to appear at this bankers' convention and talk on deposit guaranty, I asked him whether this subject, having been threshed out so much, would not prove uninteresting to some bankers. He admitted that it might, but gave me the option to speak on any other matter. So I shall dwell briefly on this subject and review what the plan has so far disclosed.

The law set out to protect depositors, to prevent recurring bank panics, to induce bankers for their own protection to aid in having safer laws, stricter administration, more thorough examinations, and, in brief, practice safer banking. All of which the law has completely vindicated. Has it not been a success? Assuredly it has. The law did not intend to guarantee the cost of insurance based on the experience of past losses in the whole country. Unfortunately your loss has been far above the average, and may have been disappointing to some.

The reasons for this are easily found when we consider that the plan was first tried out in a new state, where everything is done on a more hazardous way than in older states. But the most disadvantageous feature of all was that the plan was adopted in a single state, by which the most essential element of any kind of insurance, namely, a good general average, is not so immediately attained.

If the plan would be operated over a larger territory, like the entire nation, the loss would be normal, while in Oklahoma it was far above

it and in Texas far below it, as it has not lost a dollar on its guaranty so far. Nevertheless, the average loss will also be attained by a single state, but not so soon as by all states or by a nation.

All insurance companies are subject to spasmodic losses. As in nature, after a storm we have a calm, after rain, sunshine, and thus, as you have had your storms at the beginning, we may expect better weather from now on, and especially when you will have in addition the experience which has disclosed to you the weak spots which will enable you to weed them out and give increased safety.

I am reminded of a farmer mutual insurance company, which at first met with heavy losses. After the assessments became correspondingly heavy, far above the expectation, many members withdrew. The others kept on. After the storm had passed, losses became normal, and for over twenty years they not only paid no assessments on their insurance, but received annual dividends on their accumulated surplus investments. And by the way your insurance department is now operated, you have the best reasons to expect that your assessment cost soon will be normal and insignificant.

The success of your mutual guaranty depends mainly upon having the best and a sufficient number of examiners, pay them a liberal salary, and see to it that all violators of the law are punished to the limit, which I understand is now your policy. So much on the past, now on the future.

Exempt from Taxation

The province of every government is to protect its citizens. Our constitution promises to insure domestic tranquillity and promote the general welfare and happiness of the people.

Let me adduce examples how it exercises some of these duties in support of the arguments to follow. It gives aid, by means of the tariff, to what are termed "infant industries." Is keeping a reserve for emergencies of which

(Continued on page 27)

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

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Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

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Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Perhaps the wave of optimism which appears to have attacked the eastern states since the Standard Oil decision has extended westward as far as Milwaukee, but certain it is that there is a considerably better tone in all financial transactions than has appeared for some time in the past.

A large number of the manufacturers in heavy staples claim that their orders show a healthy increase while the iron and steel industry is represented by factories working full time. The country banker reports every prospect for bumper crops again this year and is in good shape to care for this movement. Rains during the past week have been general throughout the state and the farmers are jubilant.

Bond sales both in Milwaukee and in the state are reported as good for this time of the year, the chief demand being for the better grade of securities.

Banks Now under New Law

State Bank Commissioner A. E. Kuolt has notified the 542 state banks and trust companies of Wisconsin that their fees for examination under the new law passed are due and is ordering them to remit. The examination fees are now based on the total assets of a bank, a year are required. The total amount of examination fees under the new law is \$22,000, ranging from \$20 upward. Two examinations an increase of \$14,000 over those under the old law.

Owen Bank Guaranty Bill Reported

The senate committee on corporations de-

cided during the week to report in the substitute Owen bill for the guaranty of bank deposits without recommendation. The substitute bill is the one on which hearings were had some time ago and provides that every bank shall credit on its books one-half of one per cent of its average deposits each year to the "depositors' insurance fund," until the amount reaches two per cent. It must also credit interest at the rate of three per cent on the amount carried on its books to the credit of the fund the preceding year.

This bill was also accompanied by the companion bill drawn by Senator Owen, relating to the organization of banks in the state and providing for an examination of persons who wish to start a bank by the bank commissioner at a hearing, notice of which shall be sent to the applicants and also to the executive committee of the State Bankers Association.

Wisconsin Increases Bank Inspections

The last two measures recommended by the special committee on banking appointed at the close of the last regular session of the Wisconsin state legislature were concurred in by the senate during the past week. The senate was almost unanimous in its approval.

Most important of these two bills is the one providing for two examinations annually of the state banking institutions by the banking department. This bill also provided for an increase in the examination fees to be paid by the banks and trust companies. The present law makes the capital stock and surplus the basis for the payment of fees; the new bill

makes total assets the basis for determining the fee and provides that banks with total assets of less than \$100,000 shall pay \$20; \$100,000 and less than \$300,000 shall pay \$35; \$300,000 and less than \$500,000 shall pay \$50; \$500,000 and less than \$1,000,000 shall pay \$75 and for every bank having total assets of \$1,000,000 or more, \$75, plus \$25 for each additional million above the first million or fraction thereof.

Four additional bank examiners are provided for in the new bill, beside two additional clerks in the department. The salary of the commissioner of banking is raised from \$4,000 to \$5,000; the salary of the deputy from \$2,000 to \$3,000 and each bank examiner starting at \$1,800 a year, may have his salary increased at the rate of \$200 a year according to efficiency, until the maximum of \$2,500 is reached.

The second bill limits the classes of securities which may be taken as collateral for loans of the funds of mutual savings banks. The present law allows one-half the funds of such institution to be loaned on personal securities and bonds. The new law prohibits the loans of these funds upon personal security.

New State Bank Opens at Fond du Lac

The Citizens State Bank of Fond du Lac was formally opened May 22d. The interior of the bank is neat and arranged in a manner to meet the requirements of the bank employees as well as the patrons. The officers are E. A. Curtis, president, and John P. Kalt, cashier. The new bank's fixtures are of solid oak attractively arranged. The bank is provided with a huge Diebold fire proof safe.



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Country Banker and Counsellor

Scott Hopkins of Topeka tells the Kansas bankers what must be known and done to be ultimately successful

Trust Officer Scott Hopkins of the Prudential Trust, Topeka, delivered a very valuable paper before the Kansas bankers, at the Kansas City, Kan., convention. He treated the country banker as the general counselor and sage of the community, and among other things said:

After a young man has acquired the best education he can make for himself, or his parents can afford to give him, and has taken a course in law, and has acquired the consciousness that every transaction in business is based upon some legal principle, then my advice to him would be to go into a country bank. There is no business work-shop or laboratory possibly offered where his faculties will be called into quicker use than in such an institution. Every day he comes in close personal touch with the people of the community there and so he takes occasion to speak to his neighbor and his neighbor's neighbor (which, by the way, is the best kind of advertising), about the good business and legal sense of that banker. The man also will begin to feel that he ought to do something in return for the kindness conferred, and the final result is that the man and his neighbor and other neighbors go to the bank, deposit their money and form a business relationship in this way, which is more binding than the ordinary relationship of a mere bank debtor and creditor.

The lawyer banker soon finds that there are a great many men in that community who are in the habit of transacting business in a very loose and unmethodical way. Jones is in the habit of going to his bank and saying: "Mr. Cashier, my neighbor and I have decided to make a trade of our property, we have talked the matter over and we have written up a contract as neighbors; we have drawn up deeds before a justice of the peace, we now propose to leave this contract and this deed here in the custody of the bank and next spring, about March 1st, we expect to close the transaction; you look this matter over and see that the fair thing is done between us."

If such a proposition were put up to our lawyer banker friend he would look over the contract and very likely find that some of the

most essential things had been omitted in that crude neighborly contract. An investigation of the deed might disclose errors in possibly vital and material parts of the instrument. If the transaction were permitted to run along in the way suggested by the customers of this bank the chances are that when the day of settlement came around there would be misunderstanding. There might be a question about the tax, about insurance, about description or details of payment, possession, fixtures, rights of tenants, etc. The discussion might become quite heated and before an amicable settlement could be effected the parties might become very angry, a law-suit might ensue, and the banker might lose one or both of these men as desirable customers of his bank. A lawyer banker gave me an excellent pointer about drawing up a deed. He suggested first to make it a rule never to attempt drawing up a deed unless the grantor brought in the original deed conveying the property to the grantor, then in drawing up the new deed under the clause "party of the first part," make the statement clear; "This Indenture Witnesseth; That

John Jones, who is named as grantee in a deed recorded in book—page—recorded in the office of the register of deeds, and—his wife, parties of the first part do hereby convey unto—party of the second part, his heirs and assigns forever the following described property to-wit:" This is a good suggestion and one that is offered to all of you in your future work in this direction. You can see the force of the thought in identifying the grantee of the former deed with the grantor now proposing to make the new conveyance, and secondly having the old deed before you you can be sure that the names are written alike in both instruments. Those of use who have had experience in perfecting titles in the matter of farm mortgage loans can testify, for instance, how much time we have put in trying to identify J. P. Jones as Jared Parsons Jones.

The country banker of to-day enjoys as wide a variety of experience as the city banker formerly did. Under the modern methods of doing business corporations are rapidly taking the place of the individual, and in the active centers the banker of to-day is called upon to exercise his business and legal judgment continually, not only in matters involving the interest of one man, but the interests of many men in combination. This necessitates a knowledge of corporate law, of interstate commerce, of state and municipal taxation, and trusts of every character and description. The banker is consulted about bond issues covering local telephone lines, co-operative buildings, and what not. He must be able to inform his customers about common and preferred stocks, cumulative stocks, debentures, insurance, annuities and the laws governing these now common legal subjects, and the lawyer banker, who is the most skilled and most accurate in his analysis, and knowledge of the law on these subjects, or displays the best judgment is the man who is most consulted and whose influence becomes therefore the most potent of any one individual in his community.

In brief, business is becoming more and more intense, more complicated, and there is every

(Continued on page 13)

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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, May 25.—Some slight improvement in the demand for credits has been noted here this week, and bankers are beginning to feel more hopeful that rates may harden somewhat before a very great while. Seasonable weather here and over the entire territory tributary to St. Louis has served to stimulate business along general lines, and confidence is growing as surely and strongly as is the winter wheat plant. Prospects for crops of all kinds have improved during the last ten days. Good rains have relieved the dry spots in the Middle West, and indications point to bumper yields, not only of cereals, but small crops as well. The latter feature is one of importance, owing to the enormous distribution made by this center of products, other than cereals. Bankers who attended the Texas and Oklahoma conventions came back with reports of extreme hopefulness in those regions. In Texas wheat harvest has commenced, and the cutting this year is one of the earliest on record. Southwestern bankers say merchants are preparing to lay in bigger supplies for the coming autumn than at any like period since the last panic. Shelves are empty, or near so, and these will be replenished for the fall trade. The plan here is to be in absolute preparedness for the drain which the tremendous crops will mean. Lines are being carefully laid this far ahead, which fact accounts for the desire or preference local financial institutions show for loans of shorter duration. Funds here continue plentiful, and the range of interest rates remains unchanged, but more accommodations are being granted toward the major end of the register. Business so far this year has been of a routine character, with rates low, but financiers in this section seem to believe the year's average will be materially lifted by what they will receive for their money in the fall. There is a decided note of optimism both among bankers and the business community at large.

Oklahoma National Belligerent

Advices from Oklahoma are to the effect the gauntlet has been thrown down hard, and from now on it will be war to the bitter end between the Oklahoma State Banking Board, defending the guaranty system and the nationals of the state. The fight started several weeks ago when Governor Lee Cruce made public his statement charging the nationals of Oklahoma with originating the campaign against the guaranty plan. Immediately the nationals resented the charge and began to prepare for action. As a result, it is declared, the national bankers will form a separate organization, similar to that already formed by

the state bankers. "The suits brought by the state board against the thirty-six nationals that recently changed from state to nationals institutions, may result in the collection of the funds claimed by the banking board, but the testimony will lay bare all the affairs of the guaranty fund and its gross mismanagement. This is just what the bankers of the state want to know, and they are almost willing to pay the recent 1 per cent assessment to learn just where the thousands of dollars in former assessments have gone to." The above statement was made by Frank L. Ketch of the Lawton National, one of the thirty-six defendants. He says the banks have employed the very best legal talent in the state and are in shape to fight the case. It is likely one test of the thirty-six will be tried. The state board seeks to collect the assessment due from the state banks at the time they were nationalized. Some of the changing banks have already paid. Mr. Ketch also says that another special assessment will be made by the state banking board on the average daily deposits of the State banks within the next thirty days, and that the suit recently instituted against the thirty-six nationals was intended to intimidate other state banks and keep them from taking out national charters.

For Chairman

But two avowed candidates for chairman of the A. B. A. council, to be elected at the New Orleans convention, have appeared. They are Solomon Wexler of New Orleans and William George of Aurora, Ill. Down east there is a small boom for James G. Cannon (but whether or not Mr. Cannon means it is not known) and out west the J. B. Forgan talk will not down, not even at J. B.'s command.

Oscar A. Metzner, a Louisville banker, is dead, aged 65 years.

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PRESIDENT A. O. WILSON TO MISSOURI BANKERS

(Continued from page 7)

for the year from insurance premiums was \$2,893.05, with a membership of 582. The reports for 1911 show a good balance; revenue from insurance premiums for the year, \$9,112.03; total membership, 1,352, this including 1,328 banking institutions—national, state and trust companies, and 24 brokers, the latter being entitled to membership under our by-laws.

History of the Association

When our association was organized in 1891 at Lebanon, the total bank deposits in the state were approximately \$120,000,000.00, about \$45.00 per capita. To-day the banking capital alone exceeds that amount, with deposits in all banks in Missouri aggregating approximately \$620,000,000.00, about \$200.00 per capita, a growth not excelled elsewhere in the country, so far as we can determine.

The wonderful progress, both of our country and of our state, during the period covered by the life of the association is indicated by comparative figures on a few items of special interest, which certainly indicate that Missouri has enjoyed its proportionate share of growth and prosperity during the period in which we are so much interested on this occasion. We can refer with pardonable pride to such figures, and also to other Missouri statistics of equal interest. The value of Missouri farming lands with improvements, for instance, has increased in the last ten years from about \$844,000,000.00 to approximately \$1,710,000,000.00, an increase of 103%, and out of 196,500 farm owners, 108,300 own their farms free of encumbrance.

It is not difficult to understand the tremendous increase in the bank deposits of Missouri when we contemplate the figures indicating the wealth of the state, the figures just noted, and other figures representing the actual wealth produced. The total proceeds from sale of surplus products of Missouri last year, according to published reports, aggregated \$342,542,908.00, while the total value for the year of all Missouri products, the products of the forest, the field and the mine, the quarries, the dairies, the barnyards, and all producing agencies was estimated at \$550,000,000.00. Why, the Missouri hen alone, and she just scratched the surface, has to her credit a sum of \$10,000,000.00 in excess of that which was yielded from under the surface—the barnyard products yielding \$44,866,477.00, while the mines and quarries yielded \$34,867,640.00. Missouri is capable of furnishing almost every staple and product the world demands. The

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bureau of labor statistics in its last annual report gave us some interesting facts indicating the boundless resources of the state, and their report is of special interest at this time in view of the recent disaster by which we lost our state capitol building. According to the information compiled, our new state capitol building can be constructed and fully equipped without going outside of the state to any considerable extent for the required material, supplies, etc. Stone from the Carthage district, marble from the Ozarks, lumber from the forests of Southeastern Missouri, iron from the Iron Mountain country, sand—and plenty of it—from the beds of our own great rivers—in short, everything required for constructive purposes right here at home, and with equipment, furnishings, etc., obtainable from the factories and workshops of our great cities, and the cash available for the payment both of material and labor in the sale of bonds to our own banks and investors. Certainly the new capitol, completed in keeping with the dignity and importance of the commonwealth, can be made a great monument to our wonderful resources. The part to be taken by members of the association in this undertaking is only one instance of what they are equipped to accomplish. With almost one hundred and fifty millions of banking capital, the banks of Missouri are well able to handle the business and trade interests of the state.

The high position occupied by the banks of Missouri reflects great credit not only upon the management, but also upon the supervising powers, both state and national, and in this connection it is a pleasure to note the continued good record of the state bank supervising department. With a general banking law not excelled in any other state, and with a most capable and efficient supervision of the banking institutions of the state under that law, we are not surprised to be able to chronicle the fact that in the very few bank failures we have experienced in Missouri, there has not been a single dollar of loss to a depositor for a number of years. This applies to national as well as state banks. The Missouri Bankers Association as an organization has kept in close touch with the state banking department, and acknowledges itself to be under great obligations to the bank commissioner and his assistants for results accomplished. As an association we stand ready to co-operate with the state banking department in their endeavor to maintain upon a high plane the work of super-

vision. The banks of Missouri realize more that ever before the value of examinations, both to the banks themselves and also the general public, and we should give our continued support to the supervising departments, both state and national. In passing, we want to refer briefly to the clearing house examination system which has been established in St. Louis, Kansas City, and St. Joseph. Most excellent results have been obtained, and the permanency of the system is assured. Bank examinations cannot be too rigid and complete, and every member of this association should welcome the bank examiner, and if the banker keeps his house in order, he will at all times submit most cheerfully to the inspection provided by the law under which he operates.

The excellent standing of the banks of Missouri, and the general confidence manifested towards them by the public is indicated by the fact that during the last legislature there was practically no suggestion even that the general assembly should give any time whatever to the consideration of a guaranty of deposit measure. Referring to the recent session of the legislature leads us to call your attention to the report of our very efficient legislative committee, which report informs you of the enactment of several measures of special interest to our membership. The very necessary amendment providing for sufficient funds to operate the state banking department on a proper basis; false statement measure, the derogatory state-

ment measure, and some other measures of minor importance. Special attention will be given to a discussion of these new laws during this convention.

The report of the taxation committee is of special interest also. That committee have waged an earnest warfare against the unequal system of assessment and have again accomplished excellent results. This association should at all times encourage any movement which has for its purpose the securing of an improved system of assessment for taxation purposes. We earnestly recommend that the taxation committee should in the near future give this matter additional consideration in the hope that some plan will be evolved for the solution of a troublesome question. We are not sure but that we should urge the appointment by the governor of an expert taxation commission, whose duty it should be to consider the subject in detail, and whose ultimate purpose should be to secure a fair and equitable system of assessment on all classes of property by the county and district assessors of the state.

The committee on rewards have an interesting report, and it indicates considerable activity in that branch of the work. Membership in the association carries with it a strong protection against fraud by forgery, etc., not, however, to the extent of reimbursement for losses incurred, but only providing for the punishment of the offender when apprehended. The loss incurred is the cost of the transaction, and must be charged up to experience or carelessness. The members are again urged to use every possible precaution in their banking transactions with strangers. Ordinary discretion in such matters will, as a rule, prevent loss to the bank and trouble and expense to the association.

COUNTRY BANKER AND COUNSELLOR

(Continued from page 11)

day an increasing demand in the banking fraternity for experts along the lines of business and law, and the successful banker of the present and the future is the man who is most highly trained in these important associated fields of modern business life. By reason of his peculiar and intimate line of work the banker is brought into close touch with the people of the community, the state and the nation in which he lives. To obtain an eminence in his

(Continued on page 15)

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Had the joint meeting of the Missouri and Kansas Bankers Association been held a week earlier, there would have been many hundreds of doleful faces in Kansas City, May 24th and 25th. Instead of these evidences of gloom, however, the visiting bankers wore smiles and were genuinely optimistic. It all came about because of the break in the general drouth which had been long and discouraging. The general rains over the Central West brought a renewal of prosperity that can be appreciated only by those familiar with conditions where everything depends upon agricultural production. This sudden and cheering aspect of things was the subject of much discussion among the bankers who attended the Kansas City meetings. "The crops have never been better," said J. M. Wilcoxson, of Carrollton, Mo., who is one of the veteran bankers of the Central West. He was president of the Missouri Bankers Association in 1894. This statement was a concrete expression of the opinions of most of the delegates.

J. A. Lewis

J. A. Lewis, cashier of the National Bank of Commerce of St. Louis, is a firm believer in the business of banking for a young man. While in Kansas City attending the big convention Mr. Lewis gave out an interview which should be interesting to every bank clerk. Among other things he said: "It doesn't require any amount of capital for the right kind of a young man to open a bank in a wide awake town in Kansas or Missouri. There are splendid openings for just that sort of youngster to-day.

"His first requisite must be a reputation for honesty. He also must have had some experi-

ence in banking and must be, like Caesar's wife, above reproach. There is plenty of capital in almost any good town in Kansas and Missouri to back such a man. I'll admit that such a young man does not grow upon every bush, but if a young fellow with the right kind of spirit and honesty feels that he would like to open a country bank he need not hesitate because of the lack of capital."

Bankers Optimistic

Bankers in the Central West are feeling particularly fine just now over the fact that good rains have been general in this section within the past ten days. Practically every foot of the ground in Missouri, Nebraska, Kansas and Oklahoma with parts of Texas

was soaked. The rains came after a period of drought that brought discouragement and anxiety. Although the crop killers had already given expression to their dolorous prophecies, it is now believed that an average crop of corn, wheat and cotton will be harvested, while the fruit crop has turned out much better than had been expected.

Predicts Prosperity

"I believe there will be good crops and renewed prosperity in this section of the country," said Thornton Cooke, treasurer of the Fidelity Trust Company of Kansas City, who has been traveling over the South and West. "The cotton crop will be above the average provided there are a few light rains from now on until the crop ripens. Prosperity is returning to this part of the country. I believe that the decision of the supreme court in the Standard Oil case, will relieve the tension in the East and give us here in the West opportunity to realize upon our own resources. The long period of liquidation is about over and the money market so far as we are concerned is improving every day. The demand for money is getting stronger and deposits are growing.

Banking Notes

The Omaha Commercial Club spent the week ending May 26th on a trade excursion into the interior of Nebraska. The party consisted of over a hundred of the most prominent business men of Omaha and they traveled in a special train of nine handsomely appointed coaches. Many Omaha bankers took advantage of this opportunity to visit country connections and to solicit new business.

Robert W. Tureman, vice-president of the Missouri Savings Bank of Kansas City, died

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last week aged 77 years. He had been in the banking business in Kansas City for more than 25 years.

C. W. Barkley, for thirty years cashier of the State Bank of Seward, Neb., was found dead in a corn crib last week with a bullet in his brain. It is believed that he committed suicide in a fit of despondency. His accounts are said to be in perfect condition.

Practically every bank in Kansas City and several in St. Joseph and Omaha were represented at the meeting of the Oklahoma Bankers Association in Oklahoma City, May 22d and 23d. Some of the Kansas City bankers found it hard to stay all of the last day of the convention because of the necessity of getting home in time to prepare for their own big meeting on Wednesday and Thursday.

The Wichita delegation to the Kansas City convention was a particularly jolly lot. It was made up of E. E. Bleckley, Fourth National Bank of Wichita; Charles W. Carey, National Bank of Commerce; C. O. Chandler, Kansas National Bank; George W. Robinson, Security State Bank; Wallace C. Kemp, Citizens' State Bank; A. N. Richardson, American State Bank; J. W. Dice, Merchants' State Bank; W. W. Brown, Stock Yards State Bank and Frank T. Ransom, Union Stock Yards National Bank.

At a meeting of the stockholders of the Dallas, Texas, Trust and Savings Bank, last week, S. J. Hay was elected president of the bank. It was also decided to increase the capital stock of the bank from \$200,000 to \$300,000.

Announcement has been made that the State National Bank of Oklahoma City and the Oklahoma City National Bank will consolidate

under the former name effective May 29th. The consolidated institution will have a capital of \$500,000 and a surplus of \$100,000 and deposits aggregating \$5,500,000. The officers will be: H. W. Williams, president; John M. Hale, Don Lacy and C. H. Everest, vice-presidents; George L. Cook, cashier; W. M. Bonner, Pat Roden, Henry Elliot and Frank C. Clark, assistant cashiers and Gardler Given, auditor. Edward H. Cook, former president of the State National Bank, will be chairman of the directorate of the new institution.

M. D. Thatcher, president of the First National Bank of Pueblo, Col., spent several days last week in Kansas City visiting old friends. Mr. Thatcher was a banker in Kansas City forty years ago.

Group Four of the Nebraska Bankers Association met at Oxford last week followed by the meeting of Group Five at Broken Bow. Group One will meet May 30th.

ILLINOIS GROUP MEETINGS

The June meetings of the Illinois groups are as follows: June 2d, Group Ten at Murphysboro; June 7th, Group Eight at Carrollton; June 9th, Group Five at Pontiac; June 14th, Group Seven at Shelbyville; June 21st, Group Three at DeKalb; June 22d, Group Two at Peoria; June 27th, Group One at Moline. Members of I. B. A. council will be elected at each meeting under the Cairo amendment.

Col. Alfred H. Sellers, first president of the Chicago Title, Guaranty and Trust Company, died last week at Pasadena, Cal., where he had lived for several years. He was 73 years of age, and had been in the title and abstract business in Chicago from 1866 to the time of his retirement.

COMMERCE BODY HEARS REYNOLDS

George M. Reynolds, on Wednesday, addressed the Chicago Association of Commerce on his pet theme—The National Reserve Association Plan. There was a large, interested attendance.

GROUP ONE WASHINGTON

Group One, Washington, met on Thursday at Spokane, in the assembly hall of the new Old National Bank building. J. Greer Long, president of the Spokane clearing house, presided. Mayor W. J. Hindley and Edward T. Coman, president of the chamber of commerce, welcomed the visitors. W. R. Baker of Collville, responded. There were two fixed addresses. "Joys of Country Banking," W. A. McEachern; "Credits," J. J. Rouse, cashier First National, Pullman, Wash., and "National Reserve Association Plan", R. P. Loomis, cashier First National, Malden, Washington. There was a general discussion to close and a dinner in the evening.

COUNTRY BANKER AND COUNSELLOR

(Continued from page 13)

profession he must now couple with it a profound knowledge of the law upon which his business rests. Success in banking means hard work and a great deal of it. The banker closes the front door of his institution at three or four o'clock in the afternoon, but the door of his energy, his physical strength and his best thought is open long after his customers have retired to rest, and the lawyer banker who will receive a letter from the remotest corner with only his name written on the envelope, is the man who gives the most and the best of his faculties and his life to the public he serves.

NATIONAL BANK OF COMMERCE

ESTABLISHED 1865

KANSAS CITY, MISSOURI

CAPITAL AND SURPLUS \$2,500,000

RESOURCES \$25,000,000

GEO. D. FORD, Vice-President
J. J. HEIM, Vice-President

WALTER S. DICKEY, Vice-President
W. L. BUECHLE, Vice-President

J. W. PERRY, President
W. H. SEEGER, Vice-President
CHAS. H. MOORE, Vice-President

JAS. T. BRADLEY, Cashier
CHAS. M. VINING, Assistant Cashier

W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

ITS LARGE RESOURCES AND WORLD-WIDE CONNECTIONS ARE AVAILABLE TO ALL WHO DESIRE A STRONG CAPABLE BANKING CONNECTION

Editorial Comment

A MOST COURAGEOUS REFORMER

It should not be forgotten under the new order of things in the eastern metropolis that the first intrepid advocate of putting trust companies under supervision and compelling them to keep adequate reserves was Wm. A. Nash, chairman of the clearing house committee. It was early apparent to him as well as to other skillful bankers and financiers that the banking situation in New York could be made much stronger by bringing all of the banking units into a closer working agreement. He went almost alone to do battle at Albany before the legislative committees, protesting against the no-reserve feature of trust company banking. It has been claimed that quite a number of banks at first agreed to join in this remonstrance, but that one by one, with a single exception, they fell away. Mr. Nash was derided, abused, and shunned by those whose interests he was charged with opposing. Nothing daunted, however, he kept on claiming constantly before the Albany committee that trust company banking without a reserve of at least 7½ per cent was not safe. In part he won his point, however, for the law was passed compelling them to keep a 5 per cent reserve. Mr. Nash's friends now bow to the fact that the panic of 1907, which originated and had its greatest stress in New York City, could never have happened, had the trust companies been put under the restrictions then advocated by Mr. Nash. This reformer has not offered any excuses for the position which he took before the legislature, nor in the battle royal which was fought between the clearing house banks and the outsiders later on. He does claim, however, and is able to show, that trust company opposition to the measures which he advocated and which later on were adopted by the clearing house, has been a very expensive performance to the companies.

Now the entire trouble seems to have been settled probably in a more satisfactory way than if former differences had never occurred. Trust company banks will now be members of the New York Clearing House, keeping 25 per cent reserve and under regular inspection. They will also be eligible to membership in the National Monetary Reserve Association as soon as a few sensible amendments are injected in that plan of reorganizing the currency and banking system of the country. New York has done well to adopt the Chicago system of clearing house supervision which has been adopted already in nearly all the western cities. There can be no question whatever that the banking situation in New York City has been cleared and strengthened by recent events, and there should be no attempt whatever to deprive Wm. A. Nash of his full share of credit in the matter.

Hitherto the New York clearing house and its bank report represented only 40 per cent or less of New York's banking power. In panic

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SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

times this was a serious handicap and in 1907 was an almost fatal blow to public confidence. Had not the non-members united behind J. P. Morgan and joined the clearing house banks, chaos must have resulted. President A. B. Hepburn has been earnestly in the present movement for clearing house rule and supervision.

ANOTHER OPPORTUNITY LOST

The last session of the Illinois legislature probably would have passed a bank act amendment putting a ban on wildcat banking had it been asked. All forms of banking should be under supervision. On Tuesday of this week a Chicago private bank—yes, doing a savings bank business—went into the hands of a receiver. Developments show that under supervision the mess never could have occurred. Even the savings bank books were not permitted to be kept in agreement with the cash and when this sort of privacy is permitted to go on as banking and in guise of a bank something is "rotten in Denmark." No other line of business with or for the public is permitted to run wild. The "bank" which failed also was a real estate office and as a "broker" the proprietor had to have a license but as a "banker" he required nothing but brazen effrontery. This private bank was only two blocks away from "The United States Loan Bank," which while nothing but a pawn shop, befouls the name of "bank." How long will the public stand for it?

THE ILLINOIS CONVENTION

At Springfield in October the Illinois convention expects to present Woodrow Wilson, a national speaker, and to have a farmer-banker congress, representing actual ownership of one million acres of the best improved farm land in the world. This will be an auspicious occasion. Nearly all railroads in the state run to Springfield direct and the hotels are of the best. The Springfield banks are in agreement that the occasion is to be out of the ordinary. The attendance will be large. President E. E. Crabtree is in personal charge of the speaking program and a strong local committee of bankers will arrange the social features. Let every loyal Illinois banker plan to attend and set a new record in state conventions.

RICHMOND CHAPTER

At the May meeting of the Richmond Chapter held on Thursday the eleventh, the following officers were elected to hold office during the season of 1911-12: S. P. Ryland of the First National, president; G. H. Bates of the National Bank of Va., vice-president; Jno. S. Haw of the First National, secretary, and E. A. Leake of the National Bank of Va., treasurer.

The following delegates were chosen for the Rochester convention: D. E. Mountcastle, First National; C. V. Blackburn, Planters National; Warren M. Goddard, National Bank of Va., and Clinton L. Williams, Merchants National. The alternates are: H. G. Proctor, Jno. M. Miller III, G. B. Gregory, Geo. W. Watt, Jas. P. Watson, and Edward L. Word.

The May meeting marked the close of the season for the Richmond Chapter, and as we look back over the year, we are glad to be able to say that much has been accomplished.

Next season we hope to have new quarters established further uptown, in a more convenient location—a move which has been contemplated by the board of governors for some time, and which we are confident will increase the attendance upon our meetings, as well as to cause the chapter rooms to be used more by the members.

GROUP ONE, ILLINOIS

Officials of Group One, Illinois, "accepted" Moline's invitation to hold the June 27th meeting in that city. Moline didn't know of it—not in advance, at least—but is glad it happened. Nelson H. Greene was in Chicago on Wednesday and the plans for the day include a morning session and at 1 o'clock a boat ride up the river with a Dutch lunch. Chicago visitors will be returned to Moline in time to get the evening trains back to the city. W. E. Taylor, soil expert for Deere & Company, will be the orator of the day.

AMERICAN BANKERS ASSURANCE COMPANY TO REMOVE FROM MISSOURI

The controlling interest in the Federal Union Surety Company of Indianapolis, purchased last week for St. Louis parties, was really for the American Bankers Assurance Company of St. Louis. Plans for a merger of the two companies are under way, but until they are completed the American Bankers will hold the relation of a holding company for the Federal Union Surety. The headquarters of the American Bankers will be removed to Indianapolis. The American Bankers was organized primarily to guarantee deposits in banks, and, while it has been licensed in fifteen states it is not licensed in Missouri because of legal complications. J. B. Christiansen, the new president of the Federal Union is vice-president and counsel for the American Bankers. It is probable that the companies will be merged as the American Bankers, it continuing its deposit guaranty business and entering also the surety and fidelity lines.

Banking

The Wednesday evening lecturer before the Chicago Chapter, A. I. B. this week, was Lucius Teter, president of the Chicago Savings Bank & Trust Company. The subject was "Banking."

True to its Name—

The founders of the Northwestern National Bank exercised foresight in selecting its title.

The growth of this bank has been continuous and sturdy, and today the scope of its activity is "northwestern" in the full sense of the term.

With correspondents throughout all the territory from Chicago to the Pacific, and in Canada, exceptional facilities are offered for handling the business of the Great Northwest.

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1872

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Affiliated with

THE MINNESOTA LOAN & TRUST CO.

Combined Capital, Surplus and Profits \$6,500,000.00

Combined Resources \$34,600,000.00

Advertising for Savings

Secretary F. A. H. Garlich of St. Joseph, president of the Missouri State League of B. & L. Associations, at Kansas City convention

In this age of progress and invention, where what is new to-day is old to-morrow, it becomes a necessary question what of the old to discard, what of the new to take up. The realm of advertising has grown to such an extent and is so diversified that what is fit and competent for one line of business may be unfit and unsuitable for another. The question that we are interested in, is how best to advertise the bank and savings institution, to produce the best results for a given amount of outlay.

The wholesale house, the factory, the mill, the producer each have salesmen at large outlay for salary and expenses to place their goods before their customers; the savings institution while it needs the support and confidence of the people just as much as the former, usually has no salesmen, no traveling men, but must content itself with campaigns and plans of advertising to obtain its extension of business. Assuming that an amount is set aside for the promotion of the business, for the work of this silent salesman, as it were, how can this messenger seeking the confidence of the people best make himself known, felt and followed through the use of printer's ink and its adjuncts.

There being no paid advertising manager for this institution, the work naturally will fall to the cashier or his assistant, so we will start him to work to increase the assets a hundred thousand dollars and put three hundred new

accounts on the books. At first glance he says it cannot be done, but as he gingers up to the possibilities of a carefully worked out plan, he begins to take courage by accomplishment, until in a short time he knows he can do it, for he is doing it. The new accounts are coming in every day. This confidence is all important and often means the success or failure of the plan. The encouragement of the first few leads to increased effort, finally bringing the full measure of success.

The plans for this campaign are so varied and so different in nature that one must be studied out to suit the requirements of the city in which one lives. What has proven successful elsewhere may be tried by you if properly pushed and backed up. Many an otherwise good plan has been lost by not being followed up properly. However, there must be a "plan." A carefully thought out newspaper campaign is sure of results if good live material is used and properly changed. Commence the campaign with four-inch double column containing the one word Save, next day put a large question mark after it. The next put the sentence, Save what? The next unfold your story to be followed by your statement, items of growth, etc.

Local interest in the savings department may be stimulated by offering a cash prize for best essays on savings to be written by children of a certain age. This has been found to interest the whole family and, if followed up

with a careful solicitor or good newspaper work, will bring good results. A card in the paper is all right for the bank statement, but if extended newspaper advertising is to be done it must be done on a specific plan or results will be negative. First survey your territory, ask the question—have the city people the money you want, or is it in the hands of the country people? Which is the more promising field? If necessary, get a complete list of both, these are your prospects and you must influence them or your expected results will not be forthcoming. Adopt any one of a dozen good ideas to place your possibilities before these people and by following up the plan persistently your results are certain.

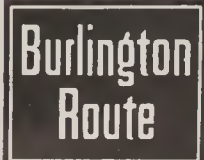
People like pictures. Have a good half tone cut made of your building, of your board of directors, of your bank interior and embellish your advertising with these simple object lessons that tend to make your location well known and your personnel familiar to your prospective customers. Having secured a list of from 300 to 2,500 prospective customers that you want to reach, plan a campaign of three pieces of mail sent several days apart. The first is an "interest awakener." The second is the "plan unfolded." The third is the "clincher." Your first merely outlines the fact that you are going to place a matter before them that should command their attention. This arouses their interest. The second discloses the plan, it may be safes, home banks,

The Difference

in the "tone" and character of railroad service is just as great as it is in hotels, for instance. The superiority of either service is largely determined by attention to details. The observance of this rule is the secret of **Burlington** high-efficiency service.

Be a Burlington guest next time you go to **St. Paul or Minneapolis!** The advantages of the service are highly important—its completeness will surprise you.

"Minnesota Limited" . . .	Leaves Chicago	6:30 p. m.
	Arrives St. Paul	7:20 a. m.
	Arrives Minneapolis	8:05 a. m.
"Oriental Limited" . . .	Leaves Chicago	10:15 p. m.
	Arrives St. Paul	10:45 a. m.
	Arrives Minneapolis	11:40 a. m.
"Northern Pacific Express"	Leaves Chicago	9:15 a. m.
	Arrives St. Paul	10:15 p. m.
	Arrives Minneapolis	10:55 p. m.



The Electric-Lighted
"On Time" Road

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Furnished to Banks and Bankers for direct sale to Travelers

INVESTMENT SECURITIES

coin envelopes, souvenirs, any one of twenty devices with which you are all familiar, or it may be merely an invitation to call at the bank as you want to show them the big door on the cash safe, and how it works; your third gives a strong presentation of your resources, officers, directors and equipment and contains facsimile letters of pleased customers that seem so simple and yet are so potent a means of influencing new business.

When the prospect calls show him your safety appliances, show him the securities and how they are kept safe, show him the adding machine, the burglary insurance policy and take an interest in him; you may think he knows all about these things, but assume that he does not. Your interest in him will be rewarded by his confidence and very likely by his business. Having tried one plan with meager results, do not blame advertising, blame your plan; with the experience you have gained study out a better one. The one tried was not the right one. The effect of advertising is accumulative and every time you try to arouse interest you make the next attempt easier. The fact that you do advertise gives one the impression that you are wide awake and progressive, and when business is to be influenced by a fellow townsman he will say, "take your account to the so and so bank—they are wide awake." Why does he believe this? He knows you advertise, he knows you push for business. The little booklet he received in the mail gave him his first impression.

You cannot make a little four-page folder in one color and no pictures do the work of a neatly gotten up illustrated twelve-page pamphlet containing in concise and easily understood language your "whole story." Many so-called advertisements are stingy little waste basket fillers. Analyze the advertisements in your daily paper, your magazine, your morning mail. Which one catches your eye and holds your attention? Learn of them, put every deserving ad away carefully to help you plan your next campaign of business promotion. The man who seldom reads an ad makes a poor advertiser.

Having used a follow-up plan this spring, follow it up in the fall with another one and commence right where you left off by telling them, "This is our first letter to you since last spring. Now that the crops are in we feel you are in good shape to open an account with us"—make it personal and get a little feeling

into the letter, and let them know you expect an answer or a personal call. Secure some device or trade mark to use on your stationery and advertising. Get something neat and attractive, then use it on all your printed matter. It tends to individualize your advertisements so that soon every one who sees this trade mark at once will associate it with your business. In sending a set of letters use different envelopes and different paper for each set. Avoid sameness, get something new. Blotters

are kept for weeks in the house while a circular is often thrown away. Use well printed enameled blotters. If you expect an answer enclose a printed return envelope.

If you know of, or can get some man or woman who has made a success of house to house work, give your home savings bank, coin envelope or savings stamps into their charge for a carefully planned house to house canvass. This must be preceded by a good introductory letter telling of the plan and the agent's name. Also run an ad in your local newspaper stating the progress made and, if possible, get one or two families to allow their names to be used as having liked, or taken up the plan. In other words, make the canvass personal and get some enthusiasm aroused. Get every one to talking about it. Invite farmers to bring in their papers for safekeeping, arrange a receptacle and large envelopes with their names on, alphabetically arranged, or sell them a small tin box with their own key. Get them in the habit of coming to the bank.

Many banks and buildings and loan men control other buildings with perhaps a vacant vacant store window. Have a good canvas sign made on a frame 4x6 feet, containing your trade mark, name, location, and a catch phrase in two colors. Have your janitor keep the vacant store window clean and your sign behind it. The result is a good ad at little expense and out of wind and weather, ready to be changed to another building when this one is rented. This is better than billboard work, is more permanent and less expensive.

While looking around for a good advertisement do not forget that you yourself are the big advertisement for your institution. Your quiet conservative habits, your lack of speculation, your absence from the fast set, your close and careful attention to the details of your business are the main stays of that confidence you are building up, without which all the literature you may send is worse than wasted.

WASHINGTON CONVENTION

P. C. Kauffman notifies that program for the Washington convention at Wenatchee on September 14th, 15th and 16th soon will be out with a list of strong speakers.

The Farmers' State Bank of Putnam, Tex., has filed an amended petition increasing its stock from \$10,000 to \$25,000.

A GIFT PROTECTED AGAINST LOSS—IS

Bound to work constantly for you

There are hundreds of clever schemes for perpetuating the influence of Novelty Advertising, but here is one unique plan that actually works and brings results.

"ITSOEZIE"

Key Chain

The chain idea is more practical than the old ring. Easier to carry and easier to use. Men prefer it every time.



A German Silver Tag with Advertiser's Name

Goes with each chain. The number on one side—your ad on the other. You keep the customer's name and number. If he loses his keys they are returned to you, then to him. To the finder it does not indicate whose doors the keys will fit. \$60.00 net per 1000 with your ad on. Ask for Cat. 8.

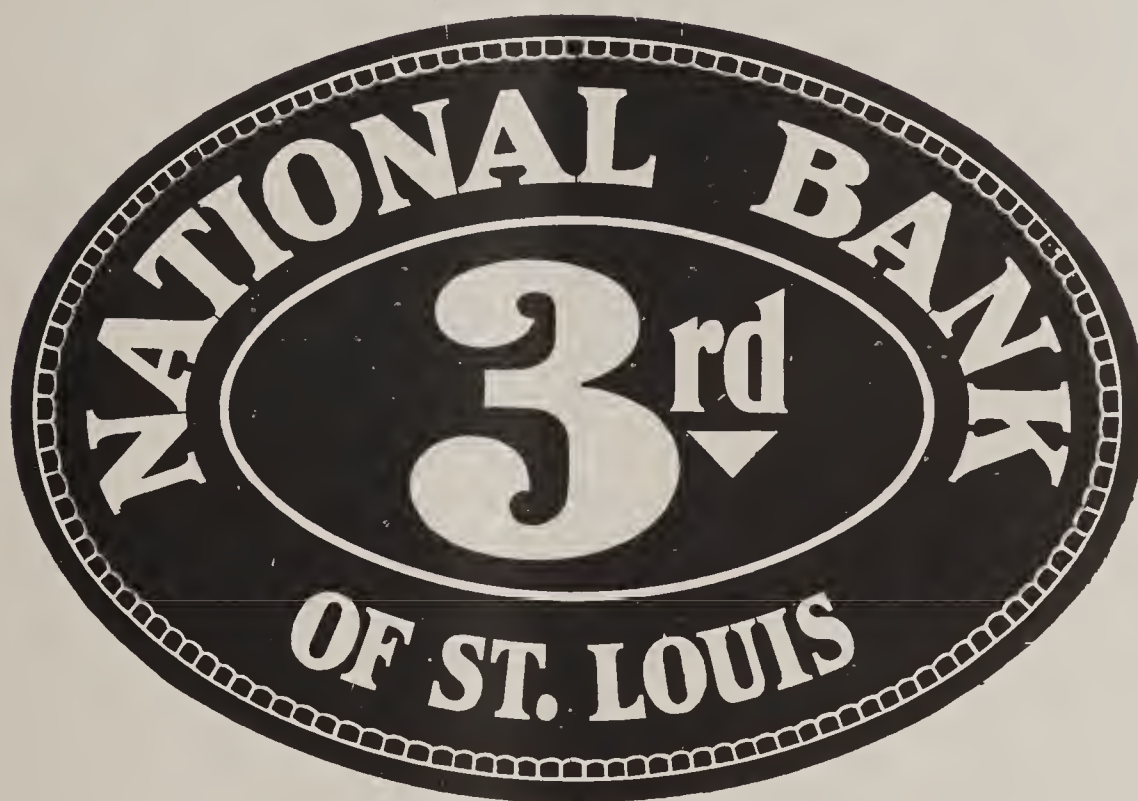
F. LEWALD & CO.

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CAPITAL	-	-	\$2,000,000
SURPLUS	-	-	2,000,000
DEPOSITS	-	-	35,000,000

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Capital, Surplus and Undivided Profits
\$600,000.00

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TRUST DEPARTMENT

We act as Trustee, Executor, Guardian, etc. We manage estates and properties for non-residents. Act as Transfer Agent and Registrar, and in any capacity of Trust delegated to Trust Companies.

COMMERCIAL DEPARTMENT

We invite checking accounts of individuals, firms, banks and other corporations, on which we pay interest. We loan money at reasonable rates on approved collateral and real estate security. We issue time and demand certificates of deposits.

MISSOURI AND KANSAS

(Continued from page 6)

with the improvement that any banker will be under the same control. The people would at once regard their deposits in banks as safe as they do now the bank currency, and bank runs would not be known, except from history. We cannot legislate to prevent business depressions or hard times; we cannot legislate to prevent bank failures, but we can prevent the loss to depositors after the bank has failed, and thereby prevent the disasters which follow in its track."

Judge Charles E. Lobdell Speaks

Judge Lobdell read a fine paper on "Am I My Brother's Keeper," in the course of which he said:

"He must be wise indeed who to such a gathering can offer a new or useful thought on banking, and an obscure country banker would have a nerve equal to Gillett the cattle dealer of blessed memory to undertake it. Taking I hope a more nearly correct measurement of myself I shall abjure the great problems of finance and banking of which I am but an humble student, and address myself briefly (I trust) to the human side of the banking business and content myself with calling attention to some obvious facts well known to us all, but which we too easily forget or too readily ignore.

"As to the advisability of a long line of liquid assets we should readily agree, to the enormity of excessive overdrafts we should all assent, as to the pernicious practice of the clearing house in restraint of trade and violation of the sacred rights of the country banks, to have all their items cleared at par and receive 3 per cent on their inactive balances, there would be little division of sentiment in the rural districts. Were I, however, to propound

to each of you gentlemen the inquiry which appears in connection with my name upon your program, I should in most cases be answered with a stare or in the language of the street with, "What are you giving me?" Were I to transpose the phrase to read, "Thou art thy brother's keeper," each of you Missourians would probably respond "show me," and yet I have persuaded myself that the inquiry is a pertinent one not out of harmony with the spirit and purpose of this gathering."

Referring to bankers who say there is no sentiment in the banking business the judge said:

"Yet there isn't a one of those old tight wads so mean that he wouldn't like to have somebody call him kind, none so selfish that he wouldn't like to be thought generous, none so dead to the motives which move men to patriotic action that he wouldn't like to be deemed a patriot: but follow them to their respective homes and you will find them no more of influence than the street corner bum, and you will find that the man with sentiment, the sentiment of human kindness, and sense, is getting the best class of business, making better earnings and suffering no more frequent losses. And I wander still further from my theme to say that I am not in sympathy with the idea that there is no sentiment in the banking business.

"Let's see. You are at home; there comes in a fine manly lad, a high school boy, in overalls, jumper, cowhide boots and battered old straw hat. He's been to the Kansas harvest field, his face, kissed to a splendid brown by Kansas wind and sun, is aglow with health and manly pride as he produces the check which represents the net proceeds of his vacation's toil and opens his first bank account. It may be twenty or forty or sixty dollars. It doesn't mean anything to the bank, but it is for him a trans-

action he will never forget. It may mean the first step toward a college education. It is the beginning of a financial career, the launching of a human craft on the financial sea, and a well chosen word from you may steer the craft aright, while an attitude which sees in the transaction only its immediate money value to the bank may discourage and drive it upon the rock. Do not tell me there is no place for sentiment in the banking business! He passes on and there comes another, a black robed shrinking figure leading a little child. Haltingly she brings forth the life insurance company's draft, the last mute testimonial of the thoughtfulness and devotion of the departed husband and father. In broken accents she falters, "John always thought so much of you, and told me if I ever needed a friend to come to you. This is all we have: wont you please take it and invest it where it will be safe and earn as much as possible for baby and me?" The man who, in accepting such a trust, would do so with one greedy thought, or reckon the profits to himself or his institution, belongs in the penitentiary instead of the executive office of a bank. Profit or compensation there should be of course, and that is always taken for granted, but the trust and confidence are the things that are worth while. For there is sentiment in the banking business. Waiting for her to go, leaning heavily on his cane, is an aged man, one of the bank's old customers. He asks for the little tin box. You bring it, he opens it and brings out a paper marked "Will," and says, "I realize that I haven't long to last; I have made you my executor without bond; keep what I have invested for mother while she lives, and when we both are gone distribute as I have directed here"; and he puts back the paper and hobbles away, happy in the confident belief that he has left "mother's" affairs in safe hands. Show a finer sentiment if you can,



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

We invite financial institutions everywhere to transact their Chicago business through the Chicago Savings Bank & Trust Company. The equipment of this bank is complete for making collections, handling active or inactive accounts and furnishing high-grade securities through its Bond Department.

LUCIUS TETER, President	JOHN A. McCORMICK, Vice-President	WILLIAM M. RICHARDS, Asst. Cashier
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Guaranteed
Irrigation Bonds.
Guaranteed Water Works Bonds.
Public Service Bonds.
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INCORPORATED

INVESTMENT BANKERS

First National Bank Bldg., Phone Central 6400

PITTSBURGH CHICAGO PHILADELPHIA

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

A Study in Liquidation

E. R. Gurney, the
Nebraska orator pro-
vides the "light-opera" features at Kansas City to the great delight of his hearers

Kansas City, May 25.—Much was expected of E. R. Gurney who has a genius of combining heavy-weight finance with light opera features in a way that brings thought in the wake of laughter. He looks and talks seriously but his audience penetrates his mein and laughs when apparently he isn't expecting it. On "Liquidation" Mr. Gurney said in part:

You will find my text, perhaps, in the twenty-third chapter and thirteenth verse of the Book of Hard Knocks, reading "and they were called upon to pay up." This little bit of realism, so terse and touching, may be compressed into a single word "liquidation" and therefore shall be my theme for a short while this morning.

Treated grammatically, we may say that "liquidation" is always proper and only tolerably common. As a verb "to liquidate" should be in the active voice, but at times it is mighty passive. And it belongs in the present tense, now being the accepted time, but it delights itself in the future, ninety days being an ever present refuge in time of trouble. I would say that the best thing about a promissory note is not the promise to pay, nor the interest rate, but the knowledge that its redeemer liveth.

I do not know the origin of the promissory note, and I do not think anyone else knows,—so you are not materially the loser by having me for your speaker at this moment, but I suspect that the promise of payment within it comprehended the act of "coming across" with the funds rather than the intimation of the date of a renewal.

It is said that deposit banking found its origin in Florence and through the evolution of chance. Certain Italian merchants of wealth and that respectability which has always distinguished their successors were importuned to care for the gold and silver plate, the ducats and florins of such possessors as desired to

travel abroad and had a measure of doubt as to the reliability of the hired man.

In those days, a moderate trip meant months, a journey to the Orient might take years. Thus, in the knowledge that the owner would not be back until December, our merchant and embryo banker with that hatred of waste that has always characterized his successors, let out certain moneys at interest to be repaid in December, and to make sure the promise would be kept with promptitude, he put it in writing, under the sign and seal of the maker. Some-

times, I try to imagine the condition of the atmosphere in Florence if our banker should receive a letter from Guglielmo Vincentio dated November 26th reading: "Honored Sir: My note of 600 florins will be due on the 23d inst. and I beg to hand you my note in payment of the interest; or if L. de Vinci would ask to have his note carried over for three or four months 'until the hog market picks up a bit,' or Signor A. Vespucci, when nicely and kindly asked to pay up would say 'What t'ells the matter with you, aint my note good?'"

Deposit banking has changed a whole lot since the days of Florence, and overland limiteds bring back to us, even while we sleep, the depositor who is like even unto the man from your own state, who wants to be shown; while a demand liability for deposits may become a mighty active liability when it moveth itself aright. And the great American borrower, instead of paying a good percentage for the loans, and being a little bit grateful, and being promptly on hand at the liquidation teller's window at maturity to "put it back" now haggles over the insignificant discount rate and thinks he should pay up when the spirit moves. Verily, a change has come over our horizon and the old landmarks assume a new aspect.

In the great West, and all America is in reality the great West, we are surrounded by the many phases of development and construction incident to a nation of builders. Construction, not to mention development and speculation, ought to operate on funded capital, but they continuously encroach upon the field of commercial credit. For instance A, B, C, and Company are the owners of a very successful department store which, as a commercial proposition or from a banking standpoint is irreproachable. But A is engaged in building a magnificent home with all appurtenances, B is developing a manufacturing industry in the

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factory district and finds it is taking a barrel of money, and C. has, as a little side speculation having taken over a township of Canada land. And the money going into these several spots is either borrowed from a long suffering bank which hardly feels like offending the members of the firm, or it is taken out of the business and thus subjecting the firm to the necessity of borrowing that much more money. This illustration I give is acted out in many variations with banks all over this country. Again, we have the condition peculiar to America, of the road to wealth and the gateway of opportunity, wherein travels many a poor man up to the heights of possession. But he needs the continuous assistance of funds to match his boundless energies and we find this process repeated over and over. These American people, splendidly honest, and of good faith and great ability, everlastingly need money and yet more money to go with their capacity for business and would rather issue notes than to restrain activity, and would prefer to renew than to pay up.

These men renew promptly, but I sometimes think our supervisory authorities and our boards of directors lay too much stress upon the elements "not due" and "past due" in judging our paper. Not that I would overlook maturities,—far from it,—but I believe that a bright and shining face in a promissory note is never so important as that rugged strength to convert itself into the long green. I have seen notes (owned them, to be honest) artistically executed on beautifully engraved stationery, and so dead that the trump of Gabriel will not rouse them to activity, and they pale in comparison with past due paper secured on fat cattle in the feed yard.

At this point, I confess to you that I have never been a successful banker—rather should I say that I have never managed a bank to my own satisfaction, and along this very line has been my largest measure of discontent. Years ago, our professor used, on the first morning of the school year, to read to the assembled incorrigibles about two feet of rules, the which he subsequently attempted to enforce with a two foot rule or an oak tanned strap. I could, to-day, provide you with a set of rules by which to run a model bank, and I guess that the whips and scorns of time will not fail any of us as a corrective reminder, but notwithstanding all this, I appear before you to-day, if in an educational capacity, rather as an awful example, than as a model for your lines.

On the morning of the panic of 1907, one of my directors, a simple minded, kindly, matter of fact old man came to me and said, "Well, Eddie, you are not worried, are you?" "Oh, no," I said, "Oh no!" (I do hope that liars are not disqualified at the door of Heaven!) "Anyway" he said, "it will be an easy matter, all you have to do is to stop loaning money and collect all your loans as they become due, and we will keep on Easy Street." I smiled, in derision, yet the old man's words were a reproach to me, then, and now. Collect all our loans as they become due? In such a time as that? I could no more do it than I could fly. I did collect some and those collections came in most opportunely.

That panic taught me this lesson,—that the measure of liquidation of our notes in normal times is very much lessened in the time of stringency. We go on, day by day, collecting in considerable amounts, scarcely realizing how large a percentage of the repayments come from loans from other banks, directly or indirectly. When panic comes on, we are astounded, even heartsick to find how many loans we had expected to be paid are held up through

contingencies never before dreamed of. We hear the pleadings of excuses and of exasperating delays where we expected legal tender. Liquidation, even in normal times, is not any too thorough. Every tendency seems to work the other way. Economics and safety do not, apparently, lie along parallel lines. The man who borrows for ninety days, confident of renewal, can afford to pay a better rate,—the lending bank with continuous earning power on a note can make profits on a less rate. Then too, we have so many "lines," and there is a constantly increasing number of people who think they have a fee simple and indefeasible right to borrow when they will, that it might surprise some of us to figure up the credit side of bills receivable at the close of any month and find out just what proportion of our notes has been paid, and what part renewed. In my own bank, in the month of April just passed, we collected in cash 35 per cent, and renewed 65 per cent of all maturing paper. I do not know about the experience of other banks, though I imagine there are many, particularly in strictly agricultural districts, where the percentage of liquidation is less. Sometimes a banker tells me he has lost only \$17 in the past 27 years, which is cheering news to one who has been stung so often he has gotten used to it, but I never hear such remarks without harboring the profane thought that maybe he is a good renewer and a poor closer. If, now, we consider net liquidation of loans, since there is a very real obligation upon us to meet the daily demands of new borrowers whose claims in many cases seem almost as imperative as those of depositors, we shall find that our percentage of net reduction is very low, and usually, the lowest when most needed.

I know that the stock method with many bankers is to carry a considerable portion of outside paper. I do not wish to appear disrespectful, but "I ha'e my doots." I might, for instance, have a bank on a good corner in Kansas City, or in some of your rich county seat towns,—I might, by reason of such location accumulate very handsome deposit lines,—I might say I would never loan a dollar locally, buying all outside paper. In this, I would get along nicely, perhaps, but even doubting the propriety of such action, believing as I do, that every bank owes a measure of duty to its community to perform its function of loaning, still it would seem to me that in a large sense, as a large banker, or an honest student ought to see

(Continued on page 25)

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Pacific Northwest Banking News

Spokane, May 23.—Invitations to visit the intermountain and Pacific slope country during the summer and early fall months have been extended by the Spokane Chamber of Commerce to 37 boards of trade and commercial bodies in New York, Massachusetts, Pennsylvania, New Jersey, Maryland, Connecticut, Maine, Delaware and Rhode Island. This is the beginning of a "Know-Your-Own-Country-First" movement, the purpose being to give eastern bankers and business men an opportunity to become more intimately acquainted with the resources and financial, commercial, and industrial possibilities of the Northwestern and Pacific states and to cement the bond of friendship between the eastern and western people.

Arrangements for the reception and entertainment of the visitors at various points between St. Paul and Minneapolis and the Pacific Coast will be made by the Spokane organization through a special committee of 100 representative citizens, headed by Edwin T. Conan, president of the Exchange National and presiding officer of the chamber of commerce.

Col. Wakefield on Standard Oil Decision

Colonel W. J. C. Wakefield, president of the Spokane Bar Association, said in an interview that the decision of the supreme court of the United States in the Standard Oil Company case, will help business in general in that it is not inimical to capital. James Taylor Burcham, also of Spokane, who was formerly professor of law at the University of Chicago and Stanford University, says the finding interferes with no legitimate business enterprise that keeps itself free from monopolizing or attempting to monopolize any part of trade or commerce. Other attorneys say the ruling will meet with the approval of all who are not violating the anti-trust act.

Moscow State Bank Bought Out

Moscow State Bank of Moscow, Idaho, capitalized at \$25,000, with surplus and undivided profits of \$7,500 and deposits of \$135,000, has been taken over by the Day & Hansen Investment Company of Spokane, and its associates, Lyman Whittier of Whiting, Iowa; Harry Whiting of Castana, Iowa, and Robert Whittier of Spokane. Harry Whittier becomes cashier, succeeding B. W. Ludeman, retired, the manager being Robert Whittier. The company owns the controlling stock in the Waterville Savings Bank, the Douglas State Bank and the National Bank of Oakesdale, in Washington, the Nevada Valley Bank of Helmsville, Mont., and the Castana Savings Bank of Castana, Iowa.

Big Gains

R. Lewis Rutter, president of the Western Union Life Insurance Company and manager of the Spokane & Eastern Trust Company, announces the former has more than \$10,000,000 insurance in force. The gain since the beginning of the year has been more than \$500,000.

The company started in 1906 with \$402,500. In the next year it jumped to \$3,716,000 and in 1908 the insurance in force reached \$7,410,225. In 1908 it gained more than \$500,000, and in 1909 the insurance in force increased from \$7,995,270 to \$9,501,625. The premiums are invested in first mortgages on improved property in and near Spokane.

Bank Closed

Directors of the State Bank of Commerce at Wallace, Idaho, the second largest bank in the Coeur d'Alene mining district, which was closed on May 12th, declare in a formal statement that the sound assets and the liabilities of the stockholders will result in paying depositors in full at no far distant date.

The bank, which was capitalized at \$100,000, had deposits of between \$500,000 and \$600,000 when it was closed, as against between \$800,000 and \$1,000,000 a year ago. It is announced that the bank had overloaned to B. F. O'Neil, president and holder of 435 shares of the stock, and the Lane Lumber Company, which has no liquid assets, and also has funds tied up in the failure of the Carnegie Trust Company. The

assets of the lumber company, however, are said to be sufficient to cover all indebtedness.

"Until the state commissioner makes a detailed report of the assets of the bank and their convertibility," says the directors' statement, "it will be impossible to say how soon business will be resumed."

The bank was organized on April 10, 1903, the outgrowth of the O'Neil private bank. The original incorporators were: B. F. O'Neil, August Rawlson, Maurice H. Hare and G. Scott Anderson of Wallace, Thomas L. Greenough of Missoula, Mont., and Ewen McIntosh of Kellogg, Idaho.

In Excellent Condition

First State Bank of Kellogg, Idaho, of which B. F. O'Neil, head of the State Bank of Commerce at Wallace, Idaho, was president, is reported to be in excellent condition. Mr. O'Neil resigned when the Wallace bank was closed by the state bank examiner, and W. W. Papesch was elected to the presidency. J. A. Walden, cashier, announces the bank has \$88,000 in loans, \$70,000 in available cash assets and deposits of \$115,000.

Albert Held

Albert Held of Spokane has been appointed by Governor Hay to officially represent the state of Washington on the Boston chamber of commerce excursion to Europe, June 12th to August 16th. The Spokane chamber of commerce will be represented by John H. Shaw, who was its honorary commercial commissioner to China in 1910. The party is limited to 100 American business men.

Banking Notes

Farmers' Security Bank of Milton, Wash., is now open for business. The bank is capitalized at \$25,000 and the officers report a good business for the first day. The officers are: president, J. H. Coffman; vice-president, F. M. Kent; cashier, W. W. Wasser.

State Bank of Blackfoot, Idaho, capitalized at \$25,000, is in the hands of the state bank examiner. No statement of its condition was made, but it is believed that withdrawals by depositors forced the suspension. H. A. Morgan is president and C. R. Jones is cashier.

Banks at Coeur d'Alene, Idaho, report cash deposits of more than \$700,000. William Dollar, president of the Exchange National, says business is upon a better foundation than ever and the outlook is bright.

Elza Hurst, for two years property expert in the mortgage department of the Spokane & Eastern Trust Company, has gone to Los Molinos, Cal., as sales manager of the 10,000-acre Los Molinos ranch, recently bought by W. H. Kiernan and Jay Lawyer of Spokane, and Frank A. Vanderlip of New York.

Aaron Kuhn, chairman of the board of directors of the Traders National Bank of Spokane, declared on returning home from a trip of two months in the middle west, that he had no intention of becoming interested in a Portland bank.



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A STUDY IN LIQUIDATION

(Continued from page 22)

the problem, I would be but begging the question and shifting onto some of the other of our 25,000 banks the problem of liquidation which some one must solve. Again too, I half suspect that the floating of paper beyond its immediate locality does much to increase the difficulty, broadly considered. Mr. A is a very well to do man, known over three or four counties. He can borrow from any one of a dozen banks, and this very fact exercises its subtle influence to induce him to get into the habit of borrowing from Peter to pay Paul, and to depend more fully upon his ability to shift his line than to liquidate it. With every insolvency, particularly of large concerns whose paper was sold on a wide market, this very phase of the case is perpetually showing up. Many millions of Booth notes were promptly paid at maturity, but not with oyster money. So I say I question if this outside paper panacea, excellent as its features are, is in any true sense, an answer to the problem before us.

If I, a mere country banker may offer suggestions to you men of Missouri, they would be along two lines. The first one would be that we can accomplish something in an educational way. Suppose we make it a point to say to Jno. Smith when he borrows, "Now John, we want to remind you that we will want this note paid substantially at maturity. We would not, in fact, object to renewing it once in case of need, but the simple fact is we are compelled to collect our notes and this entirely without reference to your credit or solvency, we are loaning money every hour of every day, as we ought to and there is no way we can put money out continuously without getting it in on maturing loans at the same time. This argument seems to set well and something at least will be ac-

complished. Certainly, the result is better than when we, having a weather eye on our competitor who may be prospering say "All right John, you can have all the money you want and keep it till the cows come home, the longer the better, and come back again if you need some more!"

But after all, education, while good and persuasive is something of an iridescent dream and not to be compared with the mighty influence of intelligent self-interest and tried prin-

ciples of banking. And this leads to my second observation, namely, that the underlying secret of all liquidation in your bills is to have notes which, from their inherent nature, will bring their own liquidation regardless of the notions of the maker, or the pressure of the holder.

Here again am I reminded of my own weak limitations, I have sworn a mighty oath that I will not loan money to any living man to speculate in real estate with. Well, a month or two ago, a young lady came to borrow \$5,000 with which to purchase Seattle real estate. The case was slightly complicated by the fact that the young woman is rich in her own right, and richer prospectively and a very desirable client to keep in line. But my oath! Then I remembered it was that I would not loan to any living man and then I let her have it. I got thru by a scratch.

Nevertheless, I reiterate the belief that a note should have such circumstances connected with it as to indicate liquidation. We all want good notes in our bill pouches, and solvent notes are of very great and first importance, but it is not enough to ask "Is John Smith good for \$1,000, —but "Can he pay \$1,000?" I can not and would not, prescribe any hard and fast rules for judgment. The knowledge that a note will be paid at maturity, by reason of the circumstances connected with it, is of more importance than signers and chattel mortgages. I am only an operator in a little field and can hardly prescribe in concrete measure the paper you should buy, but I believe I am correct in the assertion that the fundamental, underlying principle inheres in all good bank paper, whether in Fremont, Kansas City, Tarkio or London, is whether it will be paid or not. With us, we like notes taken at farm auction sales. We like to buy the trade paper, little notes from and

(Continued on page 31)

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Iowa Banking News

By W. C. JARNAGIN

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A SMALL PRIVATE BANK MUDDLE

Frederick Robin (not the New York Robin), of the private bank of P. F. McCarthy & Co., 39th and State, is "away on a vacation" and a rumored shortage is being denied. The audit in progress, however, showed "some irregularity" which was derided as not serious by Mr. McCarthy, who is a real estate man and private banker in one. He promises a statement "later."

J. H. Reynolds, claimed to be a forger who is wanted in many states, was arrested in Oklahoma on a warrant sworn out by the county auditor of Black Hawk county and returned to Waterloo for trial.

Des Moines, May 25.—It looks as if E. J. Curtin of Decorah will be elected president of the Iowa Bankers Association without opposition at the coming state convention at Mason City. Group Three added its endorsement to his candidacy at Charles City last week. Mr. Curtin is popular with the bankers of the state and apparently there will be no contest for the executive office. The race for treasurer seems to be between W. G. C. Bagley of Mason City and Wm. Heuers of Davenport. Mr. Bagley will have the advantage of having the convention in his home town. There seems to be a general opinion among bankers that the vice-president should come from the southern section of the state. Should Mr. Curtin and Mr. Bagley win out with Secretary Hall, a former resident of Sheldon, southern Iowa would not be represented on the official list. D. L. Hinsheimer of Glenwood and J. L. Edwards of Burlington have been mentioned by Des Moines bankers as suitable timber for the office.

As the coming convention will be the silver anniversary of the founding of the Iowa Bankers Association, more than ordinary interest is attached to the gathering. Some little disappointment has been occasioned because Secretary Franklin MacVeagh will not be able to accept the invitation to appear on the program. The preliminary announcement of the convention will be mailed out by Secretary Hall this coming week.

Cedar Rapids is an active candidate for the convention next year. Although the Des Moines clearing house has voted to issue a formal invitation for the convention to come to Des Moines, there is some talk of making no opposition to Cedar Rapids. Southern Iowa bankers are urging a more southerly point next year on account of the extreme northern Iowa location of Mason City. It is possible that the convention will come to Des Moines next year and go to Cedar Rapids the following year without opposition.

Birthday Club

The "Birthday Club," which was an interesting side feature at the meeting of the Iowa bankers in Des Moines last year, will be re-organized again this year at Mason City. G. E. MacKinnon, president of the Mechanics Savings of Des Moines, who organized the club last year, has secured a consignment of big red buttons bearing the words "Birthday Club." These are being passed around and there will be plenty of them at Mason City. The buttons are worn beneath the lapel of the coat, face inwards. The Birthday Club exists for social purposes only. Last year it attained tremendous popularity even though it was its first year with the association. C. H. McNider of Mason City will be associated with Mr. MacKinnon this year in enlisting members.

Meeting of Group Three

The meeting of Group Three at Charles City last week proved unusually successful. State Senator J. T. Webber of Ottumwa was the leading speaker at the afternoon session. He discussed bank legislation and gave the bankers some good advice. John McHugh, president of the I. B. A., gave a splendid talk on "Organization." Prof. Armstrong of the Mason City schools spoke most interestingly of teaching agriculture in the public schools. W. G. C. Bagley was toastmaster at the banquet in the evening.

Toasts were responded to by C. H. McNider, C. D. Ellis, George E. May and Karl Johnson. Morton Wilbur of Charles City was elected chairman of the group. T. S. Hansen of Northwood was chosen secretary.

Groups One and Two Hold Meetings

Two group meetings were held this week. Group One met at Sioux City Tuesday and Group Two met at Webster City, Thursday. The program at the latter was held at the armory. The program included an address of welcome by Mayor H. M. Sparboe, with response by R. W. Birdsall, cashier of the State Bank of Dows. Arthur Reynolds, president of the Des Moines National, was on the program for his paper on "The Aldrich Plan." Attorney W. J. Covil answered questions on the legal aspects of banking. An auto ride wound up the afternoon. The banquet was held in the armory at 6:30. Supt. D. M. Kelly of the Webster City schools was toastmaster. M. F. Healy of Ft. Dodge was on the program to lead off the toasts.

N. J. Lee's Decision on Assessments

Nelson J. Lee, special counsel in the office of Attorney-General Cosson, has held that City Assessor James Parker of Des Moines is right in refusing to deduct government bonds from the assessments of the banks of Des Moines under the new Iowa statute. Mr. Lee holds that the state may tax government bonds for state purposes under the new moneys and credits tax law. This decision seems to put the question of constitutionality squarely up to the bankers. In the meantime, bankers continue to point out that the law is discriminatory in that it places banks and real estate on a different basis.

Miscellany

State Auditor J. L. Bleakly will have no opposition as state auditor for another term according to present indications. Emory H. English, who has been state printer, has been persistently mentioned as a candidate. However, Mr. English has issued a statement in which he says that he will not be a candidate and that he considers Mr. Bleakly entitled to another term. This probably means that the state banking department will be maintained as it is for practically three years more.

The Iowa State Savings at Burlington announces a new seven-story building to cost \$250,000. It will be erected adjoining the new Burlington hotel and its officers claim it will be the finest bank building in the state.

The Farmers Savings at Berkley has filed articles of incorporation with the secretary of state. The capital is \$10,000. John Phelan is president; E. D. Carter, vice-president; F. P. McDaniel, cashier.

The contract for the new Whitney bank building at Atlantic has been let to a Webster City contractor. The building will be two-story brick, 50 by 140.

The Commercial Savings at Britt has filed articles of incorporation. The capital stock will be \$35,000. The incorporators include E. P. Healey, T. B. and C. W. Erwin, A. M. Deyoe and R. P. Johnson, the latter of Northwood.

Traders National Bank

KANSAS CITY, MISSOURI

Condensed Official Statement at the Close of Business March 7, 1911

RESOURCES

Loans and Discounts.....	\$1,965,259.18
Furniture and Fixtures.....	14,500.00
United States Bonds to Secure Circulation....	50,000.00
Redemption Fund.....	2,500.00
Cash and Sight Exchange.....	1,418,262.86
Total	\$3,450,522.04

LIABILITIES

Capital Stock.....	\$200,000.00
Surplus and Net Profits.....	39,125.03
Circulation.....	50,000.00
Deposits.....	3,161,397.01
Total	\$3,450,522.04

The above statement is correct,

J. C. ENGLISH, Cashier.

OFFICERS

J. R. DOMINICK, President

E. J. COLVIN, Vice President

J. C. ENGLISH, Cashier

DIRECTORS

Geo. W. Fuller
Ellis Short
O. V. Dodge
J. R. Dominick

Frank H. Woodbury
E. J. Colvin
Sanford B. Ladd
A. J. Poor

J. C. Hill
J. C. English
C. C. Clemons
Chas. Weill

V. K. Sammons
W. J. Campbell
F. L. Alexander

OKLAHOMA CONVENTION

(Continued from page 9)

it deposited with the national bank in the panic of 1907, nearly \$250,000,000, all without interest? It now, in a small measure, is aiding the merchant marine, which aid soon will be increased. But recently it has taken the burden upon itself of guaranteeing the safety of the deposits of a certain class by the postal banks. All this to protect and promote the general welfare of the people.

States are exempting from taxation mutual savings banks, building and loan associations, and other benevolent institutions, and there are instances where cities exempt factories from taxation, all because it benefits the general public.

No one will deny that bank failures cause untold disaster, ruin and suffering, and that any measure that will prevent their occurrence is a public blessing. Therefore, those bankers who by law are compelled to guarantee their depositors for the general welfare of the people, should not be required to bear alone the extraordinary expense to which nearly all new ventures in their pioneer days are subject, and especially not in the trying days of the bankers of Oklahoma.

For these reasons I find it most equitable, just and fair that your state in a small degree aid the banks in the good cause by exempting them from taxation, which, as soon as conditions become normal, may be repealed. Whatever this aid may be, it will not amount to a thousandth part of the benefit the people of the state derive from the deposit guaranty. There can be no doubt that if this is brought to the attention of the legislature and the people, all will be heartily in favor of it.

This is one step I advise you to take. But as the progressive Oklahomans can solve more than one problem at a time, I will present another which, if inaugurated, would greatly

safeguard banking, and that is, to encourage the organizations of insurance companies, or existing casualty companies, to insure commercial notes.

Commercial Note Insurance

The safety of most banks depends upon the safety of its loans. I am reminded of a bank that failed in my city owing to losses sustained on commercial notes negotiated through its Chicago reserve bank. If these notes had been insured, the bank would be doing business today. While the standing or rating of the maker of a note is easily ascertained, yet, as some rated into the millions, have failed, all are looked upon with suspicion, although only a small number of them fail.

In the earlier days of my banking we had invested about \$100,000 in commercial notes bought from brokers. After having our fingers burnt on only one of them, we mistrusted all, and took no more unless secured in some shape, even if the interest rate was 1 per cent lower than on the unsecured. If these notes could be insured they would prove the most attractive bank investment.

When our bank in 1907 had all its deposits in its reserve banks insured with casualty companies at $\frac{1}{4}$ per cent premium, I had a long conference with the agent trying to interest him to induce all casualty or bonding companies to add commercial note insurance to their lines. I also called attention to the plan in banking and other journals; also brought it before the American Bankers convention, where I was encouraged that it had at last taken root, as it was reported that large interests were contemplating the organization of such companies, and I am disappointed and surprised that as yet they have not materialized.

But let me predict that it will not be long before we will be able to insure all our loans and discounts. What a relief this will be to

the banker and how much will it tend to strengthen the banks.

It does seem that such insurance would be far safer, more profitable and less expensive to obtain than the insuring or bonding of politicians, as is often done for over \$100,000, on a single risk, at $\frac{1}{4}$ per cent premium, for these generally have but a little of their own. Or than insuring outstanding book accounts, which is so much more complicated and has no definite limit, while a note has, and a guaranty stamp on the back completes the policy, a most simple affair.

The field for such insurance is yet unexplored and offers an immense amount to be insured, and I am confident it will prove the most profitable enterprise yet undertaken.

As near as I can ascertain the losses on commercial notes is about $\frac{1}{8}$ of the loss by fire, hence a company of \$1,000,000 capital could insure 1,000 million dollars of commercial notes with the same safety as a fire insurance company of the same capital could insure 125 million dollars, as the fire companies on the average insure about \$125 on \$1.00 capital.

But let us assume a company insured only one-half of the safe limit, that is 500 million dollars on one million capital, and receives on an average $\frac{1}{4}$ per cent premium. This would bring an income of \$1,250,000, allowing 50 per cent of the premium for losses, would net \$625,000, and after allowing 25 per cent premium for expenses would leave a clear gain of \$312,500, or $31\frac{1}{4}$ per cent on one million dollar capital. Almost too good to be true. I do not guarantee that it is, and I do not expect that any one will enter upon this new field without further and thorough investigation, but I feel positive that this line of insurance has a better prospect of success than any other.

It does seem that the required capital for such companies could be obtained easily as the large borrowers, the brokers, and the banks, all

The Muskogee National Bank

MUSKOGEE - - OKLAHOMA

Converted from a state bank into the national system five days before the state guaranty law went into effect.

Capital	- -	\$100,000.00
Surplus	- -	50,000.00
Undivided Profits		15,000.00
Total Resources		700,000.00

OFFICERS

A. W. PATTERSON, President
A. C. TRUMBO, Cashier J. M. STOUT, Assistant Cashier

Reserve accounts of good banks accepted on favorable terms

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President—Manager

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THE publisher of the Chicago Banker invites interviews with any banker who could accept presidency of a well-financed asset realization company in Chicago. ¶ Salary to start, \$5,000 to \$10,000 in three years. Handsome stock and money bonus. ¶ No investment required. ¶ The publisher of the Chicago Banker will furnish particulars. ¶ Interviews confidential.

Publisher Chicago Banker

407 Monadnock Block - - CHICAGO

directly interested in such insurance, would freely subscribe to such stock. There ought to be four \$1,000,000 companies or, if existing casualty or bonding companies can be prevailed upon to add commercial note insurance to their lines, we might get this insurance without new companies. Such insurance would also be of great help to worthy borrowers.

There is no question in my mind that if all bankers conventions would hold out inducement to the insurance world by the passage of a resolution, promising encouragement and patronage to such companies entering this field, this I think, would soon hasten their establishment.

My Banking Experience

Now let me give you a bit of history of my banking experience. The first time I stepped into a bank and endeavored to open a bank account was when a boy, fifty-seven years ago, which our democrats are fond of recalling as the good old democratic times, when free trade, free whiskey, free banking and wildcat currency were in vogue. I think free love was not an issue then, or perhaps I was too bashful

and young to comprehend it. I assisted my father in his country store. Many times I had to write apologetic letters to our wholesale merchants, for not paying our bills when due. It was at this time that a young dashing fellow opened up the first bank in our village.

I said to father, "Why, this is splendid. This will be a great boom to our town, now I will not need to write any more of those humiliating, apologizing letters. There are a string of overdue bills on the pin. I guess I had better get drafts for them at the bank and give it our note." "Yes," he said, "you had better try."

So, with the greatest confidence I took my first step into a banking room, engaged the banker and displayed my little list of drafts wanted, amounting in all to about \$200.

"Well," asked the banker, "have you an ac-

count or deposit here?" "Why, no," I replied. "If I had, I would not come around begging." Then he commenced to give me a lecture on banking rules, which I could not understand nor agree to. I differed with him on his rules and nearly everything else he tried to teach me, and I argued that a bank would receive deposits from those who had a surplus, and give or loan it out to those poor fellows, like myself, who had use for it.

He felt insulted that a young kid should have the audacity to attempt lecturing him on banking. Finally I asked: "So you refuse to give me those drafts for which I will give my note?"

"Yes," he said, "seeing you have no deposit here."

This aggravated me to the limit of my patience, and in an excited, loud voice, I said, "Then you might as well proclaim that you are busted." At this he came from behind the counter in a hurry and in a threatening manner, as if he were going to bust me. Suspecting how he intended to satisfy my loan, I opened the door, slammed it shut with such force that one of the panes of glass broke. He ran after me for half a block, then gave up the

L. MANASSE

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Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - - \$1,500,000

Surplus and Profits 500,000

Deposits - - 21,000,000

WM. A. TILDEN, President
 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
 THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
January 7, 1911	16,736,997.29
March 7, 1911	21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

The Inter-State National Bank

KANSAS CITY (MISSOURI) STOCK YARDS

Capital, Surplus

and

Undivided Profits

\$1,550,000.00

OFFICERS

LEE CLARK, Chairman of the Board

R. M. COOK, Vice-President

GEO. S. HOVEY, President

WM. C. HENRICI, Cashier

Country Bank Accounts and Cattle Loans our Specialties

NEW ENGLAND NATIONAL BANK

KANSAS CITY, MISSOURI

CAPITAL AND SURPLUS, \$1,200,000

DEPOSITS, \$14,000,000

ACCOUNTS INVITED

CHARLES J. HUBBARD, Vice-President
 G. B. HARRISON, Jr., Active Vice-President

JOHN F. DOWNING, President
 P. G. WALTON, Cashier
 FREDERICK T. CHILDS, Assistant Cashier

VIRGIL K. TUGGLE, Assistant Cashier
 GEORGE G. MOORE, Assistant Cashier

race and I safely arrived at our store. This was not a run on a bank, but a run out of it, and which the bank withstood without the least commotion. But in less than a year the scales were turned. Then there was a run on the bank which it could not withstand, and it failed.

At the time I was refused a loan, the banker had his new bank building under construction. A very pretentious building for those times, and the only three story building in town, and the very building I am banking in this day.

Before I finally opened the bank in 1884, and in order to acquire more definite information of what a bank's average losses on loans were, which to me seemed the most important feature of the business, I visited our neighboring cities for investigation, assuming that if I could get old bankers' experience free of cost, it would save me the high price of personal experience in the future. Not expecting that all would obligingly give me the benefit of their costly experience, and not wishing to be too inquisitive, I asked if one per cent would about cover the average annual loss on bank loans.

As the majority of bankers are loth to admit losses, most of them answered that it was practically nothing, others that one fourth of one per cent would be ample, and all agreed that one per cent was hardly conceivable.

The last I interviewed was the cashier of a large Chicago bank, who was the most frank of all. "Why," he said, "losses, of course we have losses; what bank has not? Only a few days ago a broker failed who owed us \$75,000. Of course we hold collateral but I am satisfied if we get out of it with a \$10,000 loss. But this is nothing; the question is how much can you afford to lose and still pay eight per cent dividend and add to surplus, which we have been doing for these many years."

At this disclosure I was first astounded, but after a little reflection I was reminded that the bank had over \$7,000,000 loans, on which a \$10,000 loss would be only one-seventh of one per cent. This same cashier's bank failed in 1895, owing to trying to finance a street railway company.

After having gathered all information on banking to my satisfaction, active operation was commenced. For the first ten years we credited to a reserve fund each year one per cent on our average bills receivable, which amount was charged to loss and gain account, the same as an expense. Against this reserve account we charged each year our bad paper. Finding that our losses had not been one-half of one per cent, we, during the last seventeen years, credited the reserve fund, only one-half, instead of one per cent, and in this wise our reserve fund gained about \$34,000. On our bond and real estate loans we allowed nothing for losses, and practically had none.

Bank Investments

Now let me tell you how I consider the different loans of a bank based on my own experience, which I think will apply to banks generally. The safest and highest interest bearing are first real estate mortgages on farms at about $\frac{3}{4}$ of actual value; second, on city or village real estate at about two-thirds value; third, factories, the value of which is a very uncertain element; if times are good, as they have been during the last decade, when most of all are prosperous, the value may be sustained, but if in depressing times a factory does not prosper, or is losing money, in such cases the property value may shrink as much as eighty per cent. I am reminded of a factory which cost \$40,000 on which a \$10,000 first mortgage was foreclosed, and after years of effort the factory

was finally sold for \$8,500. Such depreciation on farm or city real estate is not possible.

Therefore, real estate mortgage loans on manufacturing plants should be only made in limited amounts, and with the greatest caution. That real estate mortgages are the safest and most profitable investments is shown by the insurance company who invest largely and while these are mostly in large amounts on city real estate, which I consider not as safe as in smaller amounts on farm property, yet in these but a trifling loss is sustained. Why real estate mortgages are prohibited as a national bank loan is a mystery. There is not a word in the National Bank Act, which prohibits it."

C. W. Allendoerfer Opposes Reserve Plan

C. W. Allendoerfer, First National, Kansas City, read an ably prepared paper in which he carefully reviewed the National Reserve Association plan and found it in many things weak or objectionable. In part he said

For a long time students have recognized that there are certain serious defects in our banking and currency systems, while libraries have been written on the subject and many a weary hour at conventions like this have been given to discussion of the problem. It is not my purpose, therefore, to speak at any length concerning these defects. We are pretty well agreed as what they are and I shall mention them briefly only in order that we may consider the plan before us will cure them.

First: It is practically impossible to unite all or even a large number of banks in common action or policy. Some clearing house cities have in the last four years adopted methods for co-operation among themselves and the desirability of a wider application of these principles has been emphasized by their successful

operation in those cities. To digress just a moment, let me say here, that in a general way the whole plan is an enlarged edition of the clearing house idea as applied in our most progressive cities.

Second: The wastefulness of our present cash reserve system and the striking manner in which it defeats its own purpose in times of stress.

Third: The inflexibility of our note issue.

Fourth: The economic waste of using reserve money in ordinary business transactions.

Fifth: The lack of a discount market and the mutually evil influence of the interest rate and stock gambling.

Sixth: The embarrassment of having an independent government treasury where from time to time vast sums are stored to the direct detriment of business interests.

Many plans have been suggested which offered relief from one or two of these ills, but until about five months ago none had been proposed which was broad and comprehensive enough to cover all the points without seriously disarranging systems already in existence. No doubt it would have been more graciously received in this section had it been presented by some one other than Senator Aldrich; but the plan itself appears more and more masterful as we study it and I believe that eventually it will have the endorsement of all good bankers in this state.

I invite you then to an impartial consideration of its details. I shall refer from time to time to the changes suggested by the currency commission of the American Bankers Association, the first of which is a change in the name from the Reserve Association of America to National Reserve Association of the United States.

Perhaps the greatest objection to the proposed plan has been based on the fear that the Reserve Association of America would be controlled by the large interests in New York and that, to a greater extent than ever, the reserves of western banks would be at the mercy of Wall Street and in a sense cause the demoralization of the stock market.

St. Paul and Minneapolis

Elbridge C. Cooke, president of the Minneapolis Trust Company, has gone abroad, also G. F. Orde, vice-president of the First National, A. A. Crane, vice-president of the First National, has taken up his summer residence at Lake Minnetonka. E. W. Decker, who has been out of the Northwestern National for several weeks through direction of his surgeons, has been down occasionally to see how things are running in his absence.

Other bankers are going about the country attending group meetings. J. A. Latta of the Northwestern, S. H. Bezoier of the Security National, P. J. Leeman of the First attended the Third group meeting at Hastings. J. L. Root of the Minneapolis Trust, L. E. Wakefield of the Wells & Dickey Company, R. E. Macgregor of the Northwestern, Kelsey Chase, superintendent of banks, and Mr. Bezoier and Mr. Leeman went to the Seventh meeting at Montevideo. Mr. Leeman and Mr. Root went to the meeting at La Crosse.

Hastings Meeting

At the Hastings meeting officers were elected as follows: President, John Heinen, Hastings; vice-president, C. J. Sargent, Red Wing; secretary and treasurer, A. W. Swanson, Cannon Falls; executive committee, R. W. Putnam, Red Wing, and C. W. Gress, Cannon Falls. J. A. Latta spoke on "Opportunities and Obligations of Present Day Bankers"; C. F. Staples on "Transportation;" Senator

Albert Schaller on "The Law in Banking;" H. A. Seriver of the St. Anthony Falls Bank of Minneapolis on "The Gleaning of the Field;" L. E. Wakefield on "Banking Investments;" E. A. Whitford of Hastings on "Our Sign," and C. O. Hall of Red Wing on "Time Locks."

MUSCOGEE (OKLA.) NATIONAL BANK

The Muskogee National Bank was organized from a state bank only five days prior to the enactment of the Oklahoma state guaranty law. The wisdom of the action taken at that time has been proved by the many state banks recently in Oklahoma converting into the national system. It took a great deal of nerve and judgment to change to a national bank at the time when the guaranty law appeared to be very popular and which did serve as a great advantage to state banks at that time.



A. C. TRUMBO
Vice-President and Cashier Muskogee National

During the first year's history of the guaranty law in Oklahoma the Muskogee National practically stood alone in having made the change and it was criticised by many of its friends for doing the thing that its officers considered good judgment. The position was taken by this bank that it was safer for its own customers than if it would act as a guarantor for other banks whose managers were strangers and untried in the banking world.

It would seem that the national banks in the state of Oklahoma should appreciate the judgment of officials of this bank and as Muskogee is a reserve city the best way to show this appreciation would be by opening an account with the Muskogee National.

Muskogee has made a wonderful growth in the last ten years. According to the federal census ten years ago Muskogee had less than 5,000 people, to-day Muskogee has between 25,000 and 30,000 population and is growing very rapidly. It is perhaps one of the best and liveliest little cities anywhere to be found in the United States, and it would pay any one who has never seen Muskogee to spend a few hours here at least and in doing so it would be well to make the acquaintance of A. W. Patterson, the president, or A. C. Trumbo, the cashier, of this growing institution in the Southwest.

COMPTROLLER MURRAY REFUSES TEMPTING OFFER

Most of the local banking interests that believe in fostering good banking practices have been pleased to learn of the denial on the part of Lawrence O. Murray, comptroller of the currency, that he intended to resign. Mr. Murray has enforced some rules that did not meet the approval of bank officials but his efforts as a whole have, and his work as comptroller commands the respect of Chicago bankers.

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for week beginning Wednesday, May 10, 1911, and ending Tuesday, May 16, 1911, both inclusive:

California—Willows, Glenn County Savings Bank.

Florida—Wauchula, Carlton & Carlton, bankers.

Kansas—Dighton, First National Bank.

Missouri—Sedalia, American Exchange Bank.

Montana—Chinook, Farmers Bank.

New York—Baldwinsville, First National Bank; Brooklyn, Brooklyn Savings Bank; Brooklyn, Green Point Savings Bank.

North Dakota—Sarles, State Bank of Sarles.

Utah—Woods Cross, Farmers State Bank.

Washington—Montesano, Montesano State Bank.

Wisconsin—West Allis, West Allis State Bank.

Cuba—Havana, Banco de la Habana.

BANKING CONDITIONS AT PEORIA

B. M. Mead, cashier, Interstate Bank & Trust Company of Peoria, visited Chicago Thursday, Friday and Saturday of last week. At the Central Trust, where he called on officials, he stated that business conditions were entirely satisfactory at Peoria, some of the smaller banks having a strong demand for money, and the outlying country banks still carrying the obligations of the local farmers who are holding back last year's crop. The Interstate now has deposits around a half million.

Convention Dates

TENNESSEE—Nashville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

MASSACHUSETTS—Swamscott, June Secretary, G. W. Hyde, Boston.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

GEORGIA—Tybee Island, Ga., June 8 and 9; Secretary, L. P. Hillyer, Macon.

WEST VIRGINIA—White Sulphur Springs, June 11 and 12; Secretary, J. S. Hill, Charleston.

IDAHO—..... June 12, 13 and 14; Secretary, L. A. Coate, Boise.

MICHIGAN—Detroit, June 12 to 17; Secretary, H. M. Brown, Detroit.

PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 20; Secretary, Charles R. Frost, Minneapolis.

CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

ILLINOIS—Springfield, October Secretary, R. L. Crampton, Chicago.

NATIONAL CONVENTION—American Institute of Banking, Rochester, New York, Sept. 7, 8 and 9.

WASHINGTON—Wenatchee, Sept. 14, 15 and 16.

A. B. A. CONVENTION—New Orleans, Nov 13.

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THE WALES is the only completely visible adding and listing machine on the market. All the operator needs to see is right before his eyes; totals, printing—everything.

¶ Users of the WALES say this complete visibility increases operator's speed and accuracy at least 25%. Combine this feature with light key touch and quick and easy operation of handle and you have the reason for WALES speediness.

5-Year Guarantee Against Repairs

¶ The WALES is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee, when the WALES gives you five times more protection?

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

The Adder Machine Company
Wilkes-Barre, Pa.

The Adder Machine Company
Wilkes-Barre, Pa.

Please send me booklet describing in detail the construction and features of the WALES Visible.

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CORRECTING errors on the WALES is done in the most natural and quickest way possible. If you press the wrong key, simply pressing the right one automatically corrects the error.

¶ The "Non-List" and "Non-Add" keys permit items to be added in totals without being printed, or printed without being added. They are valuable time savers in making statements and trial balances.

¶ There are other features of the WALES that are best told in our literature. You will appreciate them all.

30-Day Free Trial

¶ We will let you use a WALES for 30 days. If it doesn't convince you in that time we will remove it immediately. All this at our expense.

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CHICAGO, ILLINOIS

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

"UNITED STATES LOAN BANK robbed by a thug," is the head line in an evening paper. Wasn't even a private bank—only a pawn shop. Can you beat the "easy" banking law of Illinois?

DID you see where the Chicago "labor leader" committed suicide by going into the same saloon with some other "labor leaders?" City detectives present arrested the corpse with 12 bullet holes in it. They captured his revolver with five empty shells in it but all the other guns and gun men escaped.

BLACK-HANDERS did not get far with W. S. Webb, cashier of the Missouri Savings at Kansas City. A decoy letter brought an arrest of a probably demented man. **CASHIER.**

A STUDY IN LIQUIDATION

(Continued from page 25)

endorsed by the grocer, the baker and candlestick maker. I leave out of the trio the butcher because paying his notes is too much like paying for dead horses. We like all kinds of little notes except those of the lightning rod decorator and of the insurance persuader. We like the note of a merchant who discounts his bills and who pays us as religiously as he does other people. We like farmers' notes given for feeding cattle, with or without mortgages. We like the note of him who has wheat in the bin. We like the note of John William Jones who is so stingy that he uses six penny nails for cuff buttons and wakes the roosters out of sound sleep as he hammers around doing chores. We like the notes of old maids who sew for a dollar a day and we steer clear of brilliant young men who have a hundred a month outgo on a twelve dollar a week income. And we always accept

prepayments, day or night, counting as the least of failings the desire of a maker to translate his promise to pay into real money.

In conclusion, I beg to offer a few brief words about the Central Bank or the National Reserve Association, as it is called, not that it is any part of the province of this paper to discuss that theme but because I wish to talk about liquidation. I have always believed that if such an institution is ever established in this country and authorized to issue circulating notes, it must confine its loans to liquid ones and enforce payment at maturity. Otherwise it would become an instrument of wild expansion. If it would so confine its loans to notes which will be paid when due, and thus exert a powerful influence over the banks desiring to discount with it, to confine their loans to those of this acceptable character it would in this particular present a very great, if not its chiefest virtue.

At fancy's call, we may bring to mind a tragedy of life. Along a railroad track in bleakest winter time, a tramp is walking, chilled, and wearied and discouraged in the increasing cold. Down by the side of the embankment he sees a dark object,—a great block of coal rolled from some passing tender. He sits down beside it, as a little shelter and he leans upon it. It is as cold and unresponsive as so much ice. By and by he dreams of home, and light, and life and better days until finally even dreams cease, life's fitful struggle o'er.

And yet within that cold and inert block is heat enuf, and light enuf and power enuf, if they could only be released by some potent hand, to give more heat and light and accomplishment in homes and in factories than even dreams can conjure forth.

Banking is that mystic, mighty force. It takes the scattered dollars of waste,—moneys inert and useless as they exist diffused and idle and

makes of them a potential force. The mass becomes a mighty power. And be it known that this world need have no fear of power centralized, if rightly directed,—it should have every distrust of power diffused. But power centralized calls imperatively for management that it run not astray. The engine which is mightily constructive may become mightily destructive and as with all runaway engines, it destroys others and it destroys itself.

I believe that we, men of Missouri and of Nebraska, of Kansas and of Iowa, confessing ourselves as mere units in the great whole, yet owe it to ourselves and to our profession that our influence be exerted in behalf of cleaner and stronger conditions, and these clean and safe conditions will be most effectually promoted by having in our vaults, contracts payable as in the days of Abraham of old, "in money, current with the merchants."

To Improve Missouri-Pacific

St. Louis bankers have been advised that B. F. Bush, the new president of the Missouri-Pacific, will immediately put into effect a policy of vastly improving the system in Missouri, and it is believed the same policy will be eventually pressed into other states traversed by the railroad. While the improvements will be financed largely in New York, an enormous part of the work will derive its sinews from St. Louis financial institutions. Practically all the subcontractors will deal with local banks and trust companies, so that in the end the burden of the financing will devolve on this center. Mr. Bush has been feasted and lionized by the best part of the local business community, and given assurance of hearty co-operation by the St. Louis banking fraternity.

J. F. Kreidler is president of First National at Michigan City since Walter Vail's death.

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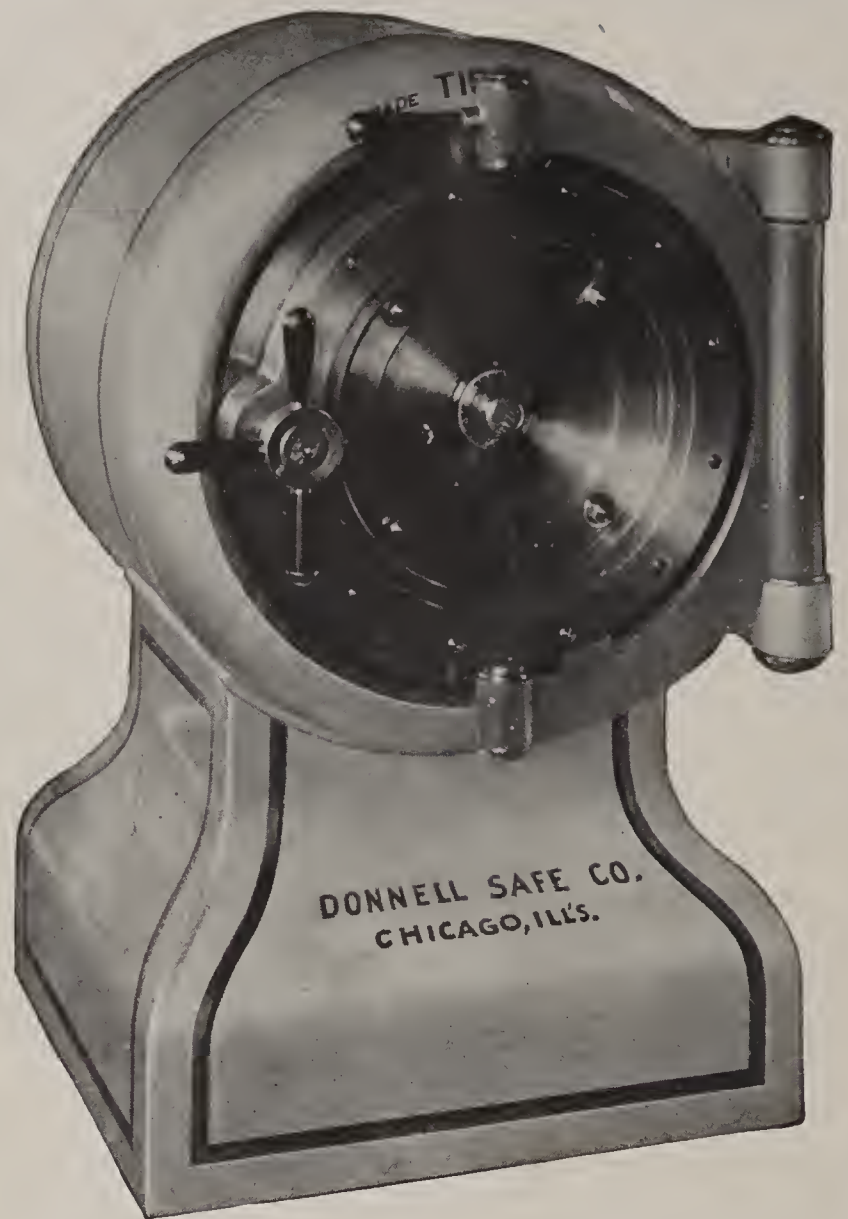
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Capital, Surplus and Undivided Profits \$ 2,500,000.00
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JUNE 3, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Tennessee Session

Nashville, May 30.—The two day session of the Tennessee bankers convention opened at the Hotel Hermitage yesterday morning at 10 o'clock. President D. M. Armstrong of Memphis called the session to order and presided. Ben. W. Hooper, the youthful governor of the state, welcomed the delegates, and Jo T. Howell also delivered an address of welcome on behalf of the Nashville clearing house banks. The response was made by J. F. Brownlow of Columbia, after which President Armstrong delivered his annual address. The speech de resistance of the entire program was an address by John Perrin, chairman of the board of the Fletcher American National at Indianapolis upon the national reserve association plan of monetary reform. His address in large part will be found printed in another portion of this issue of THE CHICAGO BANKER. He was listened to by a large audience and vigorously applauded. The Monday morning session concluded with the report of Treasurer Neill Wright of Huntington, and by Secretary F. M. Mayfield of Nashville. The afternoon session of Monday was given over to the state bank section of which P. D. Houston is president. This section had a report from its secretary-treasurer, G. C. Wilkerson of Jackson and from the chairman of its legislative committee, W. A. Sadd of Chattanooga. The balance of the session was given over to a general discussion of the proposed new banking law for Tennessee.

Tuesday Session

The Tuesday morning session convened at 9 A. M. and heard the report from the chairman of the executive council, Wesley Drane of Clarksville, followed by a report of the protective committee made by V. I. Witherspoon of Nashville. The event of the second meeting was an address on the American Bankers Association by its vice-president, Wm. Livingstone of Detroit. Captain Livingstone is a great favorite with Nashville bankers, having made a great hit at the council banquet with an address which was distinguished for its brilliancy and its wit. After the address of Captain Livingstone, there were ten minute speeches on general banking conditions by various speakers representing the several congressional districts of the state. The morning session concluded with routine business and the afternoon was given up to entertainment furnished by the clearing house banks.

Address of President Armstrong

President D. M. Armstrong reviewed the growth and history of the Tennessee Association, which was organized 21 years ago at Memphis. The present day activities of the association were presented in attractive form. Concerning the recent failure to pass of the new Tennessee banking bill Mr. Armstrong said:

Year after year the officers and committees of our association have urged upon the legislature their duty to depositors, but without success. At the risk of criticism, I have perhaps been more active in pressing this matter than any of my predecessors. Actuated by the desire to have a modern code of banking laws passed by the legislature during my administration.

(Continued on page 28)

At the Tennessee Convention



WILLIAM LIVINGSTONE
DETROIT



D. M. ARMSTRONG
MEMPHIS, TENN.

Mr. Livingstone of Detroit is a banker, a sailor and an orator. He also is the vice-president of the American Bankers Association and next year will be its president, at which time the convention will be in Detroit. He was orator of the day at the Nashville convention of the Tennessee bankers on Monday.

Mr. Armstrong as president of the Tennessee bankers confined his annual address, in large part of necessity, to a new banking law in Tennessee, putting all forms of banking under supervision and inspection. The address, printed elsewhere, is well worth reading.

California

Secretary R. M. Welch has sent out his literature for the June 15th, 16th and 17th convention at Lake Tahoe. Headquarters will be at the Tavern and complete train and rooming arrangements have been made. Stoddard Jess of Los Angeles and John Perrin of Indianapolis are two of the chief speakers.

Friday forenoon and afternoon will be devoted to two business sessions. W. R. Williams, state superintendent of banks, will speak on "Banking Laws and Supervision of Banks." State Treasurer E. D. Roberts will make a short address on "Depositing State Funds in Banks." J. G. Spangler, president of the Arizona Bankers Association, will speak concerning the "Relationship between the Bankers of Arizona and California." It is expected that W. J. Harris, president Nevada Bankers Association, will also contribute a number to the program. Geo. E. Allen, educational director American Institute of Banking, will explain the educational work of that organization.

It is quite likely that Hon. Geo. E. Roberts, director of the mint, will attend the convention, in which case he will contribute an address.

The annual address of the president, together with reports of the protective commit-

tee, legislative committee, committee on revision of constitution and reports of other officers and committees will all have a part in the program, a complete copy of which will be mailed to you in due course. A fine entertainment program has been arranged.

John V. Clarke

John V. Clarke, for twenty years president of the Hibernian Bank, of this city, died of pneumonia, after a brief illness, on Wednesday morning. Mr. Clarke was but twenty-eight years old when he succeeded his father as president. His career was very successful and he was a valued member of many clubs and charity organizations. He was a director of the clearing house which met and passed resolutions. Louis B. Clarke, vice-president, is acting president of the Hibernian and is expected to be elected to that position at a directors' meeting early next week.

THREE NEW POSTAL BANKS

Postmaster-General Hitchcock has designated Ottawa, Staunton and Collinsville as Illinois postal savings banks. They will receive deposits after June 27th. Sheldon, Iowa, and Emporia, Fort Leavenworth, and Osage City, Kansas, are also designated.

Continental and Commercial National Bank OF CHICAGO

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Surplus and Profits \$10,000,000

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Mainly About Banks and Bankers

THE cuts of John S. Broeksmit, the new cashier of the Harris Trust, in the last issue of THE CHICAGO BANKER, in some hot weather way, changed places with that of C. W. Allendoerfer of Kansas City. Both are good looking and good bankers and judging from the number of letters received "calling attention" to the mix-up the cuts might have been run without names. Even a cross-eyed banker down at Kankakee got it straight. Nothing like being well known.

FRANK J. JOYNER may become a Chicagoan, at least it is up to him to say on a good thing. No, particulars not ready.

THE stock market is all right. The customers are backward—that's all!

BEFORE he said one word about it, Taft is said to have read the Standard Oil decision completely through twice. A lot of editors who are anxiously trying to explain their first views could have saved a lot of trouble by doing the same thing. Too much politics and too little thought spoils the Editorial page.

IOWA bankers can make their reservations on the Train de Luxe to New Orleans convention through Secretary P. W. Hall, at the Iowa convention. Mr. Hall is quite active in seeing that Hawkeye bankers do not get left.

SECRETARY C. E. HOYT, of the Connecticut Bankers Association, is conducting important negotiations for his executive council with the New York clearing house. The proposal is direct clearings, no charges, and a saving on Connecticut collections of not less than three days. Certainly this is good banking and ought to encourage B. B. Castle in his efforts to perfect arrangements for upper Illinois banks with the Chicago clearing house.

OREGON CONVENTION June 9th and 10th will be held at Portland. Secretary J. L. Hartman, Portland, has sent out programs.

WILLIAM H. BURGESS of El Paso told the Missouri bankers at their Kansas City convention the story of our "International Commerce" and it is a pity he could not be brought to Chicago to elaborate the story for the Chicago Association of Commerce. There are a lot of points that men of one kind of business may have overlooked. Mr. Burgess is an attorney and a mighty shrewd one. He'd make good.

GROUP TEN, Illinois, met at Murphysboro on Friday. E. E. Mitchell (state treasurer) of Carbondale was the chairman and E. B. Jackson of Marion the secretary. This group has been ably represented on the state executive council by J. S. Aisthrope (11), D. W. Karraker (12) and J. F. Mackey (13) and by Chairman Mitchell ex officio.

NEXT week Illinois group meetings will be held as follows: Group Eight at Carrollton, Wednesday, June 7th and Group Five, Friday, June 9th at Pontiac. E. H. Miner at Win-

chester is secretary of Group Eight and John J. Doherty of Dwight is secretary for Group Five.

BANK COMMISSIONER J. N. DOLLEY of Kansas: "I am pleased to say that business conditions in Kansas are very satisfactory indeed, and banking conditions normal. We have experienced in Kansas, as in all of the other states of the Union during the past year, a re-adjustment period—taking an inventory and cleaning house, and after the inventory has been completed and analyzed, I bring you this message, that as far as the Kansas state banks are concerned they never were in a stronger, cleaner and more solvent condition than they are to-day. Our deposits are increasing daily, reserves are strong, assets are clean, management of the banks creditable, and we have no apologies to offer for our stewardship as custodians of the people's earnings and wealth entrusted to our care."

MR. DOLLEY further said, in addressing the Kansas bankers: "I am unqualifiedly in favor of the immediate reform of our monetary and financial system. I do not believe either that we should hesitate in dealing with this great proposition. I believe that we should face it, as our race has always faced great problems and disposed of them with courage, ability and honesty, and I am sure we will dispose of this problem effectively and well. An enlargement of the monetary commission's plans for currency reform should be worked out that permits the National Reserve Association to embrace within its scope all banks operating under state, as well as national charters."

MR. DOLLEY favors admitting the state banks and trust company banks to full privileges without robbing them of their present valuable functions as state institutions. This is good religion and you can count on Kansas being consulted when the matter is up for decision at Washington.

WE know of some high and mighty bankers who have failed thus far to get hotel accommodations at New Orleans, and, later they will be kicking good and hard. Our tip is the Grunewald. Best there is anyhow. Now don't fail to get a compartment on the big Train de Luxe, from Chicago. It will be the finest ever.

FRANKLIN MACVEAGH, secretary of the treasury, told the Missouri bankers, in advocating the adoption of the National Reserve Association plan of currency reform, that "the administration has been careful to take no part until now in the discussion of plans for this great reorganization. While the formative discussions and the first settlement of general opinion were going forward, we have avoided an expression of opinion. We waited until the monetary commission and public opinion should have opportunity for expression. We wanted this great movement to take on the indelible color of a non-partisan reform."

THE secretary also said, "the truth is that a great advance in monetary thought has taken place in this country during the last few years—at first by reason of the emphatic agitation of the subject among the bankers and publicists, and later by the added reason of the activities, methods and publications of the monetary commission. The fact that the panic of 1907, with all of its old-fashioned features, took place in the midst of this intellectual monetary uplift contributed a great impetus and produced a great enlightenment. It was indeed the occasion of the monetary commission; being a final demonstration of the barbaric quality of certain essentials of our monetary system. Every body knows that our system in many of its features is of wonderful excellence and fitness. These great features nobody thinks of abandoning."

MR. MACVEAGH tried to get the bankers to view Mr. Aldrich apart from his tariff record, but western bankers do not consider the ex-senator as the real author of the reform they hope for. To them it is the National Reserve Association plan. The "Aldrich plan" was a miscue at the best. Aldrich was a skilled log-roller, never a statesman. We favor Mr. MacVeagh's alternative of "considering the plan detached from Mr. Aldrich."

THE best thing the secretary got off was his conclusion as follows: "Well, after hearing me say these fine sayings about Mr. Aldrich some of you will say: 'well, we are sorry for MacVeagh. He is another good man gone wrong. The atmosphere of Washington has been too much for him.' And everybody there agreed."

THE joy-riding chauffeur and the glad-hand banker are passing away. The courts are deciding that the unauthorized use of an owner's car by the chauffeur is theft and the glad-hand fellow—well he's out of style at the clearing house and that settles it.

TAFT'S reciprocity took on new life the moment Root came out into the open as an opponent and the National Reserve Association plan took a big leap in public favor when they quit calling it the Aldrich plan, which at best never was a truth. It was a case of borrowed plumage at best.

GREAT bargain at Springfield! Dollar administration tactics cut to 30 cents.

TARIFF bills should be so arranged that the steel trust, typewriter trust and all other tariff made monopolies should begin to cut prices at home and not abroad as now is the custom.

NEW state banks in Chicago, in the years just past, have paid and paid well. See the list of dividend payers in this issue, and of new ones about to open. Better look up the open territory. Banking is a good business and eminently respectable.

W. G. EDENS is on the program for Group One, Indiana, which will meet at Fort (Continued on page 31)



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CHARLES G. DAWES, ex-Comptroller of the Currency

Plans for Monetary Legislation

John Perrin, member of the Currency Commission, delivers a scholarly address before the Tennessee bankers at Nashville

Nashville, May 30.—But few men could compress the proposed monetary legislation plan, formulated by the national monetary commission into one hour's address as John Perrin, chairman of the board of the Fletcher American National, Indianapolis, did to-day in an address before the Tennessee bankers convention at the Hermitage Hotel assembly hall. Much of it was confined to the technical difficulties and how they are to be overcome. Mr. Perrin said in part:

What the Banks Do

No agency contributes more than the banks of a state to the development of its natural resources and the upbuilding of its commerce and prosperity. They gather the savings of the wage earner and the surplus of the capitalist alike and infuse them with life and vigor to render efficient service for the general good. We may disagree in politics and find endless arguments in support of our respective parties. We may differ as to whether the general good will be best served by a protective tariff or a revenue tariff, by prohibition or regulation of liquor traffic, but among those of all classes and of the most diverse opinions there is absolute unanimity of conviction that all interests are best served by banks which are most safe, most stable, and most efficient. If we were all agreed as to the changes in the tariff laws which in final results would bring the greatest advantage to our ninety million people, we could not take a single step in bringing about those changes without affecting some interest adversely for the time being. But in enactments rendering banks safer and better no single interest of any kind is adversely affected, all are benefited. Eliminate the hazard of catastrophe which threatens the most solvent banks with every recurrence of panic, and the whole people will benefit through the greater constancy and more uniform efficiency of service which banks will be able to render. With hands and eyes and brain devoted to his work, a man can plow more and better than if he must carry a rifle and constantly watch for a lurking foe.

No laws can be devised which will eliminate among progressive peoples the recurring periods of overtrading and inevitable reaction which we call depression, but a good banking system will go far to restrain the one and mitigate the other, and will render a currency famine impossible.

Three Defects of Our Banking System

Let us now consider the main defects of our present banking system. As I see it there are lacking three essential elements:

1. An adequate restraint upon undue expansion of credit under normal conditions, and the means for an immediate large expansion of credit in a crisis.
2. Mobility of credits.
3. Flexibility in the volume of currency and its automatic expansion and contraction according to the fluctuating requirements of trade.

No Adequate Restraint upon Undue Expansion

Take the first point—the lack of restraint upon undue expansion under normal conditions

and the means for immediate large expansion in a crisis. A bank operates for profit the same as does a saw mill, or a dry goods store. It is no more proper to expect that a bank will disregard profit and operate simply with a patriotic purpose of protecting the nation's commerce from disaster than that a saw mill will refuse orders because there is too much build-



JOHN PERRIN
Indianapolis

ing, or that a dry goods store will refuse to sell silks and satins because of a tendency to extravagance.

A bank strives to be always moderately fortified for trouble, but it would obviously ruin its business to require its borrowers to pay their loans at the very time when the stress preceding a storm would make it most inconvenient and disadvantageous for them to do so. By enforcing payment of loans at such a time, an individual bank might put itself in position to meet in full its obligations to depositors, but would be serving its community very poorly; and if all banks sought to follow such a course there would be immediate panic and widespread disaster.

Normally a merchant has a certain amount of merchandise, certain accounts receivable and certain accounts payable, together with a moderate credit in bank subject to check. By sales he converts his merchandise into accounts receivable, these in turn, by collection, into a credit in bank subject to check, and this credit is used by checks to liquidate accounts payable. New accounts payable are created by further purchases of merchandise which again is converted into accounts receivable and these into a credit

subject to check. So long as this process goes on rhythmically, no borrowing is necessary. If, however, sales or collections diminish, the rhythm is destroyed. Then the merchant appeals to the bank to furnish the funds to liquidate the maturing liabilities and take possession of the business as security, carrying it on until the rhythmical operation is restored, and the bank's advances repaid. If the merchant is left in charge, the essence of the transaction is the same, as he would in fact operate the business on behalf of the bank until it was repaid.

The greater the certainty with which banks can meet such legitimate needs of solvent borrowers, the better for the general welfare.

A bank, properly viewed, is also a merchant—a merchant of credits—and not a money warehouse as seems to be the popular conception. Its deposits are credits which the bank sells, paid for by the depositors with checks for more than 90 per cent, and less than 10 per cent with cash. The proceeds of such credits sold to depositors are invested in loans. In other words, it buys credits maturing at fixed future dates, and pays for them in most cases by giving demand credits subject to check, which illustrates clearly the fact that expansion of loans entails expansion of deposits. The converse is equally true. The bank maintains such modest proportion of cash reserve as experience teaches will suffice. In this continuous process of sale and purchase of credits, and regulation of cash reserve, every bank endeavors to keep all in harmonious relation, but if depositors' demands become abnormal, or if the punctual liquidation of bills receivable ceases, then the proportion of cash reserve shrinks unduly and the rhythmical operation is destroyed. Whither, under our system, may a bank turn to pledge its business until the rhythm is restored, as the merchant pledges to the bank? If the stress is local, a correspondent may assist, but if the stress is general all banks, suffering alike from shrinkage of reserve, are more or less helpless, and panic and semichaos ensue. We must then go through the process of disentanglement of the snarled skein and of slow readjustment.

Paul M. Warburg, a partner of Kuhn, Loeb and Company, who by personal experience has thorough familiarity with banking both in Europe and here, and who is a profound financial student, likens our present system of scattered reserves to a system of fire protection, in which each householder is given his individual share of the water, the law permitting him, however not to use it freely to quench the fire at its inception, but to use it only as fast as his building burns. If four stories, he could use one-quarter of his portion while the fourth story burned, another quarter for the third floor, but must save for the first floor the quarter provided for it. In case of a fire there would never be enough water, and each householder would have every temptation to steal his neighbors' supply. On the other hand, with the whole supply in a central reservoir, water would be applied effectively where needed and general protection afforded.

In like manner our banks and the vast business interests served by them would be safe-

guarded, if the principal money reserves of the whole country were gathered in one central credit agency whose primary function would be protection, not profit earning.

Such an agency, by its published lending rate, would continually fly a financial weather signal as a guide to all from day to day. A rising rate would be a restraint upon expansion of credit. If a storm should break, it would be able immediately and largely to expand its loans because of the vast lending power held in reserve and not used under normal conditions for profit. Banks thus supported would be able, even in time of severest strain, to meet the legitimate needs of their solvent borrowing customers.

Mobility of Credits

The second defect is lack of mobility of credits. Under existing conditions a customer's note must lie in a bank's portfolio until it matures. A correspondent, if appealed to to purchase it, is unfamiliar with the maker's standing, and a bank offering a customer's note for sale is a natural object of humiliating suspicion. Credits thus extended to customers are not marketable. They are immobile.

Bank acceptances, so much used in Europe, illustrate the reverse of this. Such paper grows out of a transaction in which a bank lends to its customer its credit instead of actual capital. A purchaser of commodities, whose responsibility or collaterals are satisfactory to his bank, arranges that, in consideration of an appropriate commission, it shall accept a draft drawn upon it by the seller, at say ninety days, for the amount of the purchase. When presented the bank accepts this, or, in other words, writes on the draft its agreement to pay it at maturity. This bill or acceptance is then salable in the open market, its marketability resting upon the strength of the accepting bank. Such a bank acceptance in Europe would be bought by any institution having funds to invest and might be bought in London for Paris, Berlin or Amsterdam account, and could readily be resold in the open market at any time, or rediscounted with one of the great central banks. At maturity it would be paid by the accepting bank, with which its customer by that time would have deposited funds for the purpose.

Such paper, because of its wide market, has the highest convertibility and commands the lowest rate in the money markets of Europe, materially lower than notes of the most responsible makers secured by highest grade collaterals. Our use of such acceptances would quickly create a market for them, a discount market, and surplus funds in any section would flow to other sections in need through the sale and purchase of such paper, thus establishing mobility of credits in this country. Commercial paper of this character would be our most liquid and convertible asset, and its use would keep funds in the channels of commerce. Now the only liquid loans to be had in this country are call loans to stock brokers on Wall Street, that is, loans subject to call any day and secured by New York Stock Exchange collaterals. A bank needs quickly convertible loans, both that it may be better able to meet depositors' unexpected demands and also to have funds available to accommodate borrowers. The competition for these Wall Street loans in times of slack commercial demand forces the rate down to a merely nominal one, as, for instance, now the rate is a fraction over 2 per cent. This gives a powerful incentive to speculation which would be absent if these funds remained in commercial channels. When funds thus forced out in Wall Street loans are again needed for commercial uses, these loans are called for payment. Then the competition on the part of the brokers to borrow forces the rate to an abnormally high point, sometimes

100 per cent per annum or more. Extraordinarily high rates, accompanied by ruinous selling of securities, naturally arouse gravest apprehension of disaster and all eyes center on Wall Street, to the great detriment of business in general.

Inflexibility in Volume of Currency

The third defect is the lack of flexibility in the volume of the currency. I have put this last as least important. Currency, while a natural incident of any comprehensive banking system, is only an incident and not its vital part, which, as Senator Aldrich puts it, is the organization of credit, and this is made possible only by massing the money reserves of the country in a central agency.

We use the term money rather loosely. The word suggests unconsciously gold or bank notes. When one goes to a bank and says he wishes to borrow money, doubtless this same picture is unconsciously in his mind. As a matter of fact, it is not money at all which he wishes to borrow. To borrow money would mean renting actual coin and paying interest for the satisfaction of possessing it. That is not the privilege for which he pays. The essence of a borrowing transaction is an exchange of credits with the bank. A borrower gives to the bank his promise to pay, and the bank gives him in turn its promise to pay, usually expressed by a credit upon its books subject to the borrower's order or check. If A borrows in order to pay B, he gives his check to B. If B presents the check at the bank's counter and asks that he be given for its amount, the bank extinguishes its liability to A by assuming a liability to B, but does not change the amount or character of its liability. If B asks for currency instead of a credit subject to check and the bank pays him in its own bank notes, being simply the bank's promises to pay money, again the amount of the bank's liability is not changed, though the form is changed from what has been called a book credit to a bank note credit. The bank obviously would be equally as able to pay actual money, gold, for its bank notes thus issued as it would to pay actual money for the book credit against which the check was drawn. Such a currency is a true banknote currency and is the only form of currency ever devised whose volume automatically adjusts itself to the requirements of

trade. The use of such a currency enables a depositor to convert at will a credit subject to his check into bank notes and to reconvert bank notes into a credit subject to check. The conversion of credit from one form to the other in nowise changes the total of the bank's liability and in nowise disturbs the reserve of actual money held against its liabilities whichever way expressed.

Volume of Currency Required

The volume of currency necessary for the transaction of our business may perhaps be better understood if we consider the analogy of checks.

Every day there is a certain aggregate volume of transactions in the entire country settled by checks and a certain other aggregate settled by cash, checks in exactly the requisite volume issued and are promptly redeemed. There is never a redundancy or insufficiency. The volume of checks outstanding expands and contracts according to each day's fluctuating requirements. In the same way the requisite volume of currency is that which exactly suffices for the transactions settled by cash. The power to convert at will balances subject to check into bank notes would call into existence the proper volume of currency just as the power to draw checks creates the proper volume of checks. Facilities for reconvert bank notes, by deposit, into balances subject to check would promptly drive unneeded bank notes out of existence. Thus the volume of a true bank-note currency in circulation would be continuously adjusted exactly to the business requirements, just as the volume of checks is so adjusted.

Regardless of the wide fluctuations in the volume of cash transactions by reason of varying business conditions and fluctuating seasonal demands, we now have no means of so adjusting the volume of our currency. We had substantially the same volume during the panic of 1907, with its large requirements, that we had in 1908, when the volume of cash transactions was greatly less than prior to the panic. In the panic there was insufficient volume of currency—an absolute famine. In 1908 there was redundancy, resulting in a great piling up of lawful money in bank reserves, especially in New York, with the inevitable attendant evils, such as enforced speculation.

It is to correct such evils as the three main ones which I have mentioned, and provide adequate remedies that Senator Aldrich has suggested his plan for monetary legislation after most exhaustive investigation and profound study of the banking systems of the progressive countries of Europe and of our own situation. What he proposes is with peculiar ingenuity adapted both to our needs and to our present banking system, but in nowise departs in principle from the well-beaten paths of long and successful European experience.

He proposes a powerful central credit agency operating primarily for protection and not for profit, with a true bank note currency based on a gold reserve and commercial assets. Such a plan, wherever tried, has never failed to work efficiently, no matter under what diverse conditions of small country or large country, of republic or monarchy. No other system has ever worked effectively in the entire history of the world. Our present system, which is only an experiment, has broken down repeatedly in its half-century of trial, but we have complacently gritted our teeth and struggled along with the unnecessary burden as if it were a providential dispensation instead of something unwisely devised by man and easily remedied.

Certain amendments to the Aldrich plan have been suggested by the Currency Commission of the American Bankers Association and I shall feel at liberty to refer to the plan as thus

(Continued on page 29)

Diversified Investment

This Company suggests to careful investors the advisability of dividing their funds among bonds of various classes, in this way obtaining a well diversified investment. Investments made in this manner will possess the individual qualities of the respective classes in combination, thus making the investment well balanced. For instance, we own and offer a 5% railroad bond, a 6% short term note, a 4½% equipment bond and a 6% industrial bond, netting at present prices

**An Average Yield of
Over 5.35%**

We will furnish particulars of these on request.

Ask for our Circular D-124.

**Guaranty Trust Company
of New York**

28 Nassau Street

**Capital and Surplus - \$23,000,000
Deposits - \$133,000,000**

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital	-	-	\$2,000,000
Surplus and Profits			500,000
Deposits	-	-	23,000,000

WM. A. TILDEN, President
 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
 THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.21
March 29, 1910	15,041,357.21
January 7, 1911	16,736,997.29
March 7, 1911	21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Farwell Trust Company

CHICAGO, ILLINOIS

DEALERS IN

BONDS

CORRESPONDENCE INVITED

ILLINOIS BANKING NEWS

By C. C. Burford

The financial institutions of Bloomington are to have a strong member added to their number in the allied Illinois Savings and Trust Co., with capital stock of \$100,000, and the Illinois Title and Trust Company with capital stock of \$25,000. The business of these two concerns which are under one management will be modeled after the business of the Chicago Title and Trust Company.

The new companies will do a general title and trust business, including abstract, title guarantee, loan, trust and insurance departments. The loan and the abstract features will be developed first and the others as rapidly as possible. It has been decided that a general banking business will not be conducted and no money will be loaned except on real estate mortgage. Bloomington financiers believe that much of the loan business which has heretofore been leaving their city will now be kept in channels in their own community. There is a wide field for the extension of the companies and with the growing importance of Bloomington as a commercial center and the rich agricultural country surrounding there is an almost unlimited scope for business expansion.

Harris Addresses Home People

B. F. Harris, vice-president of the First National of Champaign, gave an illustrated address recently to the people of his home city on the trip which he took to the Panama Canal last February and March. Mr. Harris spoke easily and entertained his friends with a business-like discussion of the past, present, and future of the canal. His slides were well selected and the pictures proved a source of real interest and instruction to those present. Although a busy banker, bank builder, farmer, stock-raiser, and vice-president of the Illinois Bankers Association, Mr. Harris could add to his versatility by becoming a public lecturer.

We do not believe that he intends to enter lyceum work, however, but when his turn comes to lead the work of the state association, Illinois will have an executive who will keep up the excellent work of previous leaders in this work.

Lexington Banker Retires

John L. Langstaff, cashier of the Peoples Bank of Lexington has resigned his position and will retire from the banking field in his village where he has been a leader for thirty-six years. He has been associated with three banks in the town, assisted in organizing the State Bank of Lexington, and was active in the organization of the Peoples Bank. Lewis B. Strayer was elected to succeed him.

Bank Robbery Charged

H. Augustine Six, better known as Austin Six, of Springfield, has been arrested charged with the robbery of the First National of Blue Mound, near Decatur, a few months ago. Six is in jail in Decatur. He was indentified by Eli Peck, cashier of the robbed bank, as one of the hold-up men, but he stoutly defends his inno-

cence and declares that he will have no trouble in freeing himself in the Macon county court.

Pekin Bank Enlarges

The contract for the new vault for the Farmers National of Pekin has been let and the bank will soon begin some extensive improvements and alterations. Every safety device known to withstand fire and burglars will be introduced. Directors and officers of the bank visited Canton, Streator, Bloomington, and Lincoln, and gathered some excellent ideas upon the recent improvements in bank equipment. It has been only a short time since the Farmers National was enlarged but the growing business of the bank demands more room and better vaults than they now have and the officers and the directors will use nothing but the best ideas in the remodeling.

Albany, N. Y.—The assembly passed the O'Neill bill compelling private bankers, not subject to the banking department, to register with the state comptroller.

F. E. FARRELL Established 1864 E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers
 Successors to First National Bank
 JACKSONVILLE, ILL.
 ACCOUNTS AND COLLECTIONS SOLICITED

Hathaway, Smith, Folds & Company
Commercial Paper
 137 South La Salle Street Chicago
 Correspondence Invited

GUARDIAN TRUST COMPANY
 OF NEW YORK
CAPITAL & SURPLUS \$1,000,000
 Pays a rate of interest consistent with good banking

MOLINE ILLINOIS
Peoples Savings Bank & Trust Co.
 Capital and Surplus \$337,500.00 Deposits over \$3,200,000.00
 Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms
 WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.
MOLINE ILLINOIS

Fidelity and Forgery BONDS

Burglary Insurance

National Surety Company

ILLINOIS ADVISORY BOARD

Charles G. Dawes, Resident Vice-President
 A. J. Earling John S. Runnells

John A. Spoor, David R. Forgan, Resident Directors
 Walter H. Wilson S. M. Felton George M. Reynolds

Joyce & Company
 (Incorporated)
 General Agents

The Rookery Chicago

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,446,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,127,000.00

OFFICERS

Howard W. Lewis, President

Henry B. Bartow, Cashier

John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

Deposits over - - - 24,000,000

OFFICERS

L. A. GODDARD, President

JOHN R. LINDGREN, Vice-President

HENRY A. HAUGAN, Vice-President

HENRY S. HENSCHEN, Cashier

FRANK I. PACKARD, Asst. Cashier

C. EDWARD CARLSON, Asst. Cashier

SAMUEL E. KNECHT, Secretary

WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



IF YOU HAVE NO CORRESPONDENT IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



Kansas Banking Conditions

President W. H. Burks delivers a splendid annual address at the Kansas City, Kansas, convention. Pays highest tribute to secretary Bowman

We are to be congratulated this morning upon the "setting" of this convention; it is ideal; here, in the metropolis of Kansas; and across the line the bankers of our sister state in our other Kansas City are opening their two days' convention. We shall be much together and enjoy some of the best things in common, such as addresses by men of nation wide prominence and the entertainment and recreative features so generously and lavishly provided by the bankers of Greater Kansas City. They are, as has been told you, all yours to enjoy.

At this juncture it is right and due you to have from me a brief recital of "deeds done" during the fiscal year of the association now closing. And first, to be fair, I must say that all credit for whatever progress has been made and successes achieved should be given our worthy secretary, Mr. Bowman: always alert and up and doing in a thorough, intelligent manner everything for our common welfare. Having been intimately associated with him and in touch with the affairs of his office, I want to tell you that we would not accomplish much without Walter Bowman.

The group meetings of last fall at Dodge City, St. John, Osage City, Belleville, Hiawatha and Independence were a great success in every way—good attendance, instructive and entertaining programs, banquets and auto rides. These group meetings should not be overlooked by the bankers. While I would not belittle the importance of the big convention, the best work by the members of the association is done in these meetings. The addresses and informal talks are in the main of local affairs and of special interest to the bankers within the limits of the several groups. In these meetings we learn to know one another—

not as competitors, each seeking to secure the good business of his neighbor, but as broad gauge bankers and as good friends whose acquaintance is worth while cultivating.

Quite a number of our bankers have been visited in recent months by midnight customers—those who destroy your strongbox, and take your money without making formal application for a loan. Neither do they file with the cashier a financial statement for the guidance of the discount board. A great deal of money has been lost by the successful onslaughts of these desperate criminals—murderers as well as yeggmen, every one of them. Only a few have been arrested and brought to justice. Our last legislature, realizing the necessity of more drastic laws and severer pen-

alties for burglars using explosives, put on our books a law which will drive many of these criminals out of our state. But that is not sufficient. This association should increase the reward of \$200.00 for the apprehension and conviction of criminals caught in the act of burglarizing or holding up a bank, to \$500.00 for each member of the gang arrested and proven guilty. The undertaking is fraught with great risk and the sheriffs and police officers should be liberally rewarded, commensurate with the danger to life incident thereto. Several of the states to the north of us have banded themselves together for a vigorous and aggressive campaign in an effort to drive from their borders or put in the penitentiary this criminal class. They have employed a detective who is an expert in this line of work and who knows these safe-blowers, most of them being ex-convicts and professionals. So effectual have been his efforts that but one or two bank robberies have been attempted in those states since the existence of their protective association. With the idea in mind of combining the states of Kansas, Nebraska, Missouri, Oklahoma and Arkansas in a similar organization, a call was sent out for a meeting of representative officers from the associations of the several states named. It was held in Kansas City, Missouri, on January 19th. There were officers present from each state in the group, and special agents of the national surety company. It was a splendid meeting and all agreed that we should organize a protective association as soon as our several bankers associations authorized it. I recommend that such amendments to the by-laws be adopted as will increase the amount of the reward to \$500.00 for each burglar and will delegate authority to our protective committee

Country Bank Stocks

We have some excellent offerings in country bank stocks—some on a 10% basis, which can be bought at a very close figure. Correspondence solicited.

Trust Company Stocks

We offer trust company stock, paying 7% and carrying participating features, which should mean a great deal more. Full particulars sent upon request.

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Bankers

Rockefeller Building

DETROIT

CLEVELAND

CHICAGO

WILLIAM J. BURNS, President
Formerly U. S. Secret Service
Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

THE WILLIAM J. BURNS NATIONAL DETECTIVE AGENCY, Inc.

Representing American Bankers Association
General detective work of a high class guaranteed

WE SUCCEED WHERE OTHERS FAIL

We make the same rate for Bankers' private work
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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over **\$40,000,000.00**



to co-operate with the similar committees from the other states with the end in view of establishing a permanent protective association along the lines followed by the states now working under that plan with such good results. This will cost some money, but we are organized to protect and assist our members in every way possible.

At the meeting of the executive council held in Wichita, the president and secretary were authorized to contract with the Burroughs and Wales Adding Machine companies for the benefit and saving to our members and without profit to the association and also to close a deal with some standard typewriter company if a quantity price were given the individual purchasers. After a great deal of correspondence and work on the part of the secretary, an agreement was entered into with the Burroughs people to take within the year eleven machines at the price of ten, the association being bound to receive and pay for any unsold machines at the end of the year. A similar contract was made with the Wales company except a flat discount of 10 per cent was given on the purchase of ten machines. The deal for typewriters was finally consummated. In this case the association agreed to take and pay for any machines up to fifty, not sold at the end of the year, the banks purchasing to receive two tens off of list price. Mr. Bowman informs me that the first eleven of the Burroughs are sold and a second contract made. Eight of the ten Wales and forty-four of the fifty typewriters are also disposed of. The saving to the bank members thus far has been the snug sum of \$1,438.00 and all within the last six to eight months. Overtures have come from all sorts of concerns dealing in bankers' supplies—from big burglar-proof safes to rubber stamps. It was deemed unwise to open a general supply store, so our operations are confined at present to the lines mentioned.

Another important venture was proposed and acted upon favorably by the executive council—the publication by the secretary of a monthly periodical with subscription free to

the bank members. Four issues of "The Kansas Banker" are in your hands and I am sure every banker here will endorse without reserve the action taken in this matter. As an economic measure it is a great success. It has worked quite a saving in postage and stationery and our worthy secretary is such a good financier that the publication of the magazine thus far has cost the association nothing.

The arrangement made by our insurance committee over a year ago with a local, home company engaged in writing fidelity and special depository bonds still obtains, as does also the contract for burglary insurance. Fortunate indeed are the members of this association in having in our own state a company doing a general bonding business for banks only, else we would be paying a much higher rate for

bonds. Owing to the low premium charge, the association's coffers are not overflowing with cash received from commissions, but the great saving to our members warrants the continuance of the contract, for the difference in the premium rate over our former contract will pay the membership dues in the association of every bank requiring as much as \$10,000.00 to \$20,000.00 of fidelity or depository bonds. Thus if a bonding trust existed we were instrumental in breaking it.

The last legislature gave the bank commissioner authority and power at his discretion to fix the rate of interest that may be paid by banks on time deposits. This is surely adding another burden to his already heavily loaded office. Fixing a rate equitable and fair to all and in all parts of the state the commissioner will find, in my judgment, one of the hard problems to solve, for 3 per cent in a certain locality, owing to local conditions, might be a greater drain on the earnings than 4 per cent in some other part of the state where interest rates are higher and money in more active demand. I am of opinion that in many localities where 3 per cent has been the rate for years or where no interest is paid, the banks are annoyed a great deal by customers who have the impression that by statute the banks are now compelled to pay 4 per cent.

Another late law which I fear is likely to cause trouble unless applied very carefully or not at all is where a bank is a designated depository for public funds other than state deposits and is being operated under the deposit guaranty law of the state or has a bond of indemnity issued by a surety company covering all classes of deposits it shall not be required to give a special depository bond to secure such public deposits. The opportunity might be easily and unwittingly given the "wildcatter" and liberal, reckless banker to amass a large sum of public moneys in his bank which would be used in every way save the right way and ultimately bring the guaranty law or surety company or both under suspicion. The old

(Continued on page 31)



W. H. BURKS
President Kansas Bankers Association

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER

By Mortimer I. Stevens

WISCONSIN

Financial and business conditions as pertaining to Milwaukee and the state in general show considerable improvement during the past few weeks and there is a decided tone for the better in all manufacturing lines. The demand for loans at the Milwaukee banks is about normal with the banks well supplied with cash and rates steady. Clearings for the past week show a slight increase over the same period for one year ago.

Among the bond houses there is a feeling that the sales for this year will far surpass the sales of previous years and this view is justified by the amount of bonds sold thus far in 1911. Competition in Milwaukee is much keener than a year ago and the sale departments of such leading houses as the Wisconsin Trust Company, Marshall & Ilsley Bank and the First Savings & Trust Company have within the past few weeks greatly augmented their forces.

Comes Out Boldly as Political Issue

A new campaign issue for progressive republicans was brought out at Madison during the past week when the senate, although it advanced to engrossment the Owen bill for insurance of bank deposits, indicated that the measure cannot pass the upper house at this session. The vote was 13 to 12 and the constitution requires a two-thirds vote of all members elected to pass a banking bill.

In closing his debate on the bill Senator Owen gave notice that the proposition would be taken up in the next campaign in this manner:

"If this legislature does not pass this bill it will be in the next platform of some political party and it will carry that party to victory." He added that the question was the safety of the depositor—"of people money"—not the interests of those who own stock in the 600-odd banks of Wisconsin.

Senator Owen declared further that the average dividend of the banks of the state is about 20 per cent, and in some cases it is as high as 35 per cent, and this statement was not denied by the bankers present.

"The banks make money," he said, "from your money and my money. They don't make it out of their capital. Is it any more than fair that they should be required to set apart some of this enormous profit to safeguard the man, who, perchance, has put his last dollar into a bank and yet does not know what night there may come a panic that will wipe him off the earth."

State Bankers Consider Mutual Insurance

Wisconsin state bankers, according to many rumors afloat, are considering the advisability of organizing a mutual company to insure bank deposits, according to George D. Bartlett, secretary of the Wisconsin Bankers Association, as quoted in the daily press. Mr. Bartlett says that the state insurance commissioner indorses the plan.

"A committee named at our last convention is outlining a plan but no definite action can be taken until the present law is amended," said Mr. Bartlett. "Bankers favor having their own inspector because the state inspection is private

and the information obtained is not generally available."

Commissioner Calls for Bank Fees

Commissioner of Banking A. E. Kuolt recently notified the 542 state banks and trust companies that under the new law just passed by the legislature the fees for examination are now due and directing them to remit forthwith. The law as amended will require the banks to contribute \$22,000 where heretofore the amount was about \$8,000. The fee under the new law is based on total assets and the smallest is for banks having less than \$100,000 a fee of \$20. From \$100,000 to \$300,000 the fee is \$35; from \$300,000 to \$500,000, \$50; from \$500,000 to \$1,000,000, it is \$75 plus \$25 for each additional \$1,000,000. The largest fee due under the present demand is \$350. The law provides that payment is due prior to June 1st.

Bankers Meet at La Crosse

Sixty bankers, representing the members of Group Seven of the Wisconsin Bankers Association, met at La Crosse May 25th, in annual meeting. Mayor John Dengler welcomed the delegates and S. W. Brown of West Salem responded. In the afternoon recent legislation and the relation of the banker to the public was discussed. The delegates were given an automobile tour and in the evening attended a theatre party, followed by a luncheon at the La Crosse club.

The following officers for the ensuing year were elected: President, A. W. Barney, vice-president Bank of Sparta; Vice-President, E.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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GUSTAV RUESS
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H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

B. Knutesen, Coon Valley; Secretary-Treasurer, E. J. Wiles, Bangor; Executive Committee, Anton O. Melby, Whitehall, and W. A. Warrens, Tomah.

Notary Public Bill is Killed

Banks in Wisconsin which are in the habit of having an officer or stockholder act as notary public in acknowledging or protesting any paper in which the bank may be a party should ask their attorney's advice before continuing such practice. The speaker of the assembly at Madison recently advised his fellow members that such practice should not be allowed the bankers.

Promoted to Assistant Cashiership

At a meeting of the board of directors of the Merchants and Manufacturers Bank of Milwaukee, held May 22d, Albert Froede, Jr., former head bookkeeper and mail clerk, was promoted to the position of assistant cashier, made vacant when E. C. Knoernschild, who formerly held that position, was promoted to cashier.

Mr. Froede has been in the employ of the bank for the past four years in various positions and by his courteous manner and close attention to business has made many warm friends not only among the bankers but in the business world.

Warning Issued from Headquarters

A warning has been recently issued from association headquarters to the bankers of the state to watch for the appearance of a swindler who has been operating in North Dakota and is expected to continue in Wisconsin. He represents himself as an agent for a well known trust company and claims to be locating agencies for securing farm loans. After blanks have been filled out and an "agency" established he usually asks to have a check cashed claiming to be short of ready money. He is reported as a fraud and described as being about 5 ft. 6 in. tall; is heavy set weighing about 160 pounds with gray hair and walks with a limp.

News Items of Wisconsin Banks

State banks are to be placed on a parity with national banks as far as qualifying as depositories for savings is concerned. The senate has reconsidered its recent action in indefinitely postponing this measure and after adopting some slight amendments has ordered the measure advanced.

Owners of Chicago Bank Stocks

Both bankers and the public are interested in the bank stock list of owners in Chicago's big banks. It shows conclusively that they are shareholders' concerns and that they are not "dominated" in any sense by corporation or "big interests." The list is a long one and only the principals can be given. The figures reveal that J. Ogden Armour is the owner of the largest number of bank shares and that he probably has the largest investment in the stock of the local banks.

A brief summary of J. Ogden Armour's principal bank stock holdings shows:

	Shares	Market value
Continental and Commercial	9,350	\$2,600,000
First National.....	250	105,000
Live Stock Exchange.....	500	120,000
Illinois Trust and Savings..	626	310,000
Central Trust.....	1,286	219,000
Northern Trust.....	150	47,000
Total	12,162	\$3,401,000

Mr. Armour's total holdings are in excess of 12,000 shares. His principal banking interest is in the Continental and Commercial Na-

tional, where he owns 9,350 shares, having a market value of about 2,600,000. In addition he has valuable interests in five or six other prominent banks, to say nothing of a possible interest in some of the smaller local institutions, and his holdings in the shares of the National City Bank in New York.

These figures do not include any of the bank stocks owned by Mr. Armour's mother or by any of the other members of the Armour family. In the Continental and Commercial alone Mrs. M. B. Armour has 3,276 shares, Lolita S. Armour has 800 shares and other members of the Armour family have several hundred more.

The value of the Armour bank stock holdings is approached by only a few others in the city. The W. H. Mitchell ownership in the Illinois Trust and Savings Bank, which was for several years the most valuable single interest in local bank stocks, was diminished by gifts shortly before the death of Mr. Mitchell. There still are listed in his estate, however, 6,750 shares of the stock, having a market value of about \$3,300,000.

Norman W. Harris is registered as holding 6,032 shares of the stock of the Harris Trust and Savings Bank. The market quotations on this stock have been around \$3,000,000. Fred H. Rawson holds 6,895 shares of the stock of the Union Trust Company, having a market value of about \$2,100,000, and Byron L. Smith holds 6,000 shares of the Northern Trust Company, having a market value of about \$2,000,000.

A rather new interest of some importance in the local bank stock field is the Deering Harvester Company, which has acquired 2,000 shares of the First National, 2,000 shares of the Continental and Commercial National, 300 shares of the Corn Exchange National, 200 shares of Illinois Trust and 100 shares of Merchants' Loan.

The bank stock holdings of the Marshall Field estate have not been changed, of course. Its principal interest is in the Merchants' Loan.

The consolidation of the Continental and Commercial National Banks made the most important changes in local holdings that have occurred since the publication of the lists a

(Continued on page 23)

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The Cedar Falls Savings has let the contract for its new \$40,000 building to a Waterloo construction firm.



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CAPITAL \$2,000,000

SURPLUS \$2,500,000

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G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, June 1.—Local bankers report an improvement in the general demand for credits, but the improvement is confined almost entirely to the country. Borrowers here are taking just as much money as usual, but St. Louis banks are not losing in cash on that account, because, it is claimed, so much local paper is being placed in the East, where slightly lower rates can be secured just now. Last week something over \$1,000,000 of shoe paper was placed in New York at 3½ per cent, and other lines are borrowing correspondingly heavily in that territory. Now the banks here will not lend anything under 4 per cent, the belief being that it is not far off when a much better rate will be obtainable, and furthermore it is necessary for the local financial institutions to make preparations against the crop financing, so they are not eager to compete for profitless business. Throughout the West and in the territory immediately surrounding this center, the crop outlook continues excellent, but in the Southwest, through Arkansas, Oklahoma and sections of Texas, things are not as hopeful as was the case two or three weeks ago. The dry, hot weather has caused things to go backward. May and June is not a good time of the year for dry weather in the cotton belt. Moisture is needed for preliminary growth. In July and August not much more than heavy dews are required for cotton, but now rains would be welcome. Wheat estimates in Oklahoma and Arkansas are being reduced, but the high condition in Missouri is well maintained.

Outlook in the Southwest

Bankers returning from the conventions in Dallas, Oklahoma and Kansas City are somewhat divided in their opinions of the outlook in those sections. Texas shows general signs of prosperity, though more rain would do no particular harm. In Oklahoma the banking situation is all upset by the condition of the desposit guaranty proposition. Litigation and uncertainty prevails, and bankers are on the defensive. General business, though, is quite active, and a number of new enterprises are under way. All the travelers agree, however, that the three conventions were among the most successful ever held, and will be productive of beneficial results.

Something New Under the Sun

J. A. Lewis, cashier of the National Bank of Commerce, while attending the Missouri Bankers Association convention at Kansas City experienced a burst of enthusiasm during which he gave an interview in which he said integrity, experience, knowledge of human nature and fundamental qualifications of intellect and

soul are necessary in banking, and capital is not essential. This was to illustrate the ideals governing finance, but in cold type it appeared otherwise, and Mr. Lewis has had a deluge of letters from all sections asking how one is to run a bank without funds. That his statement was literally construed is evidenced from the apparently sincere tone of the letters. Some were from old men who still had hopes of making something out of their lives, and others were from young men who believe themselves equipped with energy, experience and knowledge of human nature. "Please tell us" each writer pleads, "how to run a bank without capital." All week Lewis had been the joke center of the local banking fraternity. He has received numerous telephone messages and personal calls, the object of which is to get the proper "tip" for conducting a banking business sans money. It was suggested, finally, that Mr. Lewis organize a correspondence school for the instruction of such persons as desire to run banks without capital, the school to be known as the "J. A. Lewis Correspondence School of Finance and Lofty Ideals."

Bond Market Quite Active

In spite of the general lassitude in the local security market, the various bond houses and trust companies report fair activity in the bond business. The extremely plentiful and cheap money makes it reasonably easy to sell and underwrite bond issues, and the volume of this business in St. Louis during the last month has been heavy. Several irrigation propositions have been partially floated here, besides considerable railroad and equipment mortgages. John Nickerson, Jr., the original bidder for the \$1,500,000 Lindell Railway 5s, falling due August 1st, 1911, has become a partner with the Eastern purchasers, and as a result the exchanging of the maturing securities for the new will be through his office. The group which now controls the bond includes W. S. Fanshawe and Company of New York, N. W. Hal-

sey and Company of Philadelphia and New York and Mr. Nickerson.

Western Standard Oil Reorganization

Advices received by local bankers from Texas are to the effect that the reorganization of the Standard Oil properties in that state and in the entire Southwest will be largely through St. Louis. The Security Oil Company and the Southern Texas Company have increased their capital stock from \$36,000,000 to \$50,000,000 to handle the reorganization. The Texas corporations will make St. Louis the center of operations. Headquarters have been established in the Mercantile National Bank building, and the traffic and purchasing headquarters will be established here. The company is making improvements of various kinds in St. Louis, principally in distributing stations, which will cost about \$1,000,000. Local capitalists are largely interested in the plans, and the banks here will aid in their financing.

New Sort of Bank Swindle

A clever swindler giving his name as James T. Strong, worked his arts upon the Bank of Furtuna, Missouri, securing by his efforts a snug sum over operating expenses. Strong represented himself as agent for the "New Orleans Home Trust Company" and claimed to be establishing agencies to make loans from that company. He carried blank applications and other stationery, which made his scheme look plausible. Strong persuaded the bank to make application for the agency, then succeeded in cashing a check purported to be drawn by the New Orleans Home Trust Company, payable to James T. Strong, general agent and signed by H. H. Moore, president. The check was protested and the bank advised that no such company existed in New Orleans. The Missouri bankers are now offering a reward for Mr. Strong.

More Postal Banks for Missouri

Three additional postal savings banks were ordered established in Missouri this week, which will begin business on June 27th. The banks will be situated in Moberly, Mexico and Trenton. The banks so far in operation in this state have been among the most successful in the system, and the postmaster-general announces that he will increase the number materially before the end of this year.

The Kobusch Suit

Considerable comment was caused by the filing of G. J. Kobusch, formerly president of the St. Louis Car Company, of a suit to recover \$409,735 from the Mississippi Valley Trust Company, the sum representing alleged overcharges in the form of commissions on loans

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is thoughtful, not mechanical.

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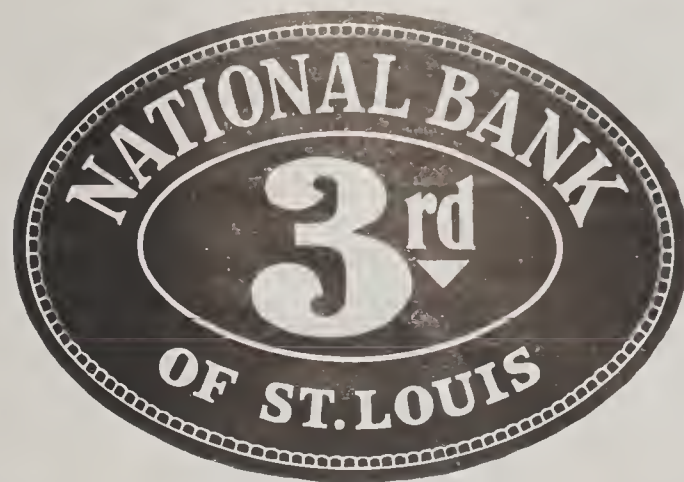
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We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
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SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

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H. HALL - - - Assistant Cashier
E. C. STUART - - Assistant Cashier

aggregating \$2,000,000 made by the trust company to Mr. Kobusch. Breckenridge Jones, president of the Mississippi Valley Trust Company, in a statement denied the allegations made by the complainant. "Except for cablegrams and other minor items, we made no charges against Mr. Kobusch," said Mr. Jones, "except as based on his written contracts. These contracts set out what the charges were to be before the services were rendered. The services, after being rendered, were approved by him. In most instances he closed the charge by giving his note and subsequently paid the note. The total amount paid by him is nowhere near the amount he mentions. He owes us nothing, and never did owe us anything like the amount mentioned. His claims are absurd.

Petition Mentions Big Loans

According to the petition filed by Kobusch, he was trying hard between 1905 and 1910 to keep his St. Louis Car Company out of the hands of a receiver. During that period he was a heavy borrower from the Mississippi Valley Trust Company. He paid 3 per cent commission for the loans, it is alleged, in addition to 6 per cent interest, but when he repaid all the loans recently, it maintained, he was informed there had been an additional commission of \$409,735 charged against him for making these loans. He had to pay this amount before he could get the collateral security he had put up with the defendant company.

Miller Gets His Commission

G. A. Miller, assistant cashier of the Southern Illinois National of East St. Louis, has received his commission as bank examiner from the treasury department at Washington. He passed the examination by the comptroller's committee, and made an excellent showing. He will be assigned to the district in Missouri made vacant by the transfer of and promotion of Charles W. Watson. This territory embraces sections of the state outside of St. Louis and Kansas City. The appointment has the general approval of the Missouri banking fraternity.

The International Bank of Canada has deposited \$250,000 with the Bank of Montreal in accordance with the Canadian banking act. The new bank will open for business early in June.

North Carolina

Secretary Wm. H. Hunt has sent out his program for North Carolina meeting at Lake Kanuga, Hendersonville, on June 21st, 22d and 23d. The place of meeting is ideal and the list of speakers is made up of men of high standing. Among them are Hon. Edward B. Vreeland, T. R. Preston, president Hamilton National, Chattanooga; J. D. Walker, president of the Walker System of Banks, Sparta, Ga.; Caldwell Hardy, president of the Norfolk National; and W. S. Lee, Jr., vice-president Southern Power Company, Charlotte.

FIRST TRUST BUYS STEEL BONDS

The First Trust & Savings, Chicago, has purchased \$10,000,000 Jones & Laughlin Steel Company first mortgage sinking fund 5 per cent gold bonds, dated May 1, 1909 and maturing May 1, 1939. Blair & Company of New York have an interest in the purchase. The bonds are part of an authorized issue of \$30,000,000, of which \$25,000,000 will be outstanding when the above \$10,000,000 of bonds are issued. The bonds are redeemable on or after May 1, 1914, at 105 and interest, and are secured by a first mortgage on all property of the company. The market on the bonds is 102½@103, and they probably will be brought out around those prices.

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We furnish current quotations appearing elsewhere in this issue. Quotation sheets and market letter sent free on request.

CHICAGO UNLISTED SECURITIES

Among the more active unlisted securities quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK
American Chicle (com).....	240	245
American Chicle (pfd).....	103½	106½
Am. Fork & Hoe Co. (com).....	130	135
Am. Fork & Hoe Co. (pfd).....	124½	127
American Laundry (com).....	36	37½
American Laundry (pfd).....	107½	110
*Am. Light & Tract. (com).....	291½	295
*Am. Light & Tract. (pfd).....	105½	107½
Amer. Type Fd'rs (com).....	52	53½
Amer. Type Fd'rs (pfd).....	100½	102
Beatrice Creamery (com).....	97	100
Beatrice Creamery (pfd).....	89½	90½
Bordens Cond Milk (com).....	123½	125
Bordens Cond Milk (pfd).....	108½	109½
Butler Bros.	285	292
Cities Service (com).....	68	69
Cities Service (pfd).....	78	79
Congress Hotel (com).....	70	76
Congress Hotel (pfd).....	58	62
Creamery Package Co.....	100½	102
Cumberland Tel. Co.....	154	
Diamond Rubber Co.....	270	273
Elgin National Watch.....	157	159
First State Pawnrs.....	112	116
General Motors (com).....	40	41
General Motors (pfd).....	80½	81
National Grocer (com).....	26	28
National Grocer (pfd).....	80	81
National Safe Deposit Co.....	145	
N. W. Gas Lt. & Coke Co.....	90	95
North Shore Electric Co.....	94½	95½
Northwestern Yeast Co.....	375	385
Union Carbide Co.....	112½	113½
U. S. Gypsum (com).....	11	12½
U. S. Gypsum (pfd).....	77½	78½
U. S. Motor (com).....	38	39
U. S. Motor (pfd).....	79½	80½
Western Electric Co.....	215	221

Miscellaneous Bonds

Auditorium 5's (1929).....	92	95
Auto Elec 1st 6's (1928).....	76	78
Chicago Athletic Club 5's.....	93½	95
Chicago & Milwaukee Elec 5's (1922)....	48	52
Chicago Sub'y 1st 5's (1928).....	25½	27
Cicero Gas 5's (1932).....	94½	95
Congress Hotel 1st 5's.....	90	93
Dering Coal 5's (1955).....	35	38
Emp Dist Elec 5's (1949).....	80	82
Ill. Athletic Club 5½'s.....	91	92
Interstate T. & T. 5's.....	49	51
La Salle Hotel Co. 6's.....	97	99½
North Shore Elec 5's (1940).....	98½	98½
N. W. Gas Light & Coke 5's.....	99	100

*Ex. Dividend.

The Kossuth County Savings at Algona has commenced the construction of its \$12,000 building. It will be modern throughout.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The Kansas State Bankers Association is now larger than it has ever been in its history. Its membership reaches well over 900. In addition to its increased membership, the Kansas association has the largest fund on hand that it has ever had from which to pay rewards and to pay for the detection of crime in connection with the banks of the state. Next year will be the silver anniversary of the Kansas state association and in all likelihood it will be held in Wichita.

Quiet After Convention

The bankers of Kansas City have been resting up since the big convention. Some of them have gone out of town for a week or so and there has been little activity in financial circles. There is a distinct improvement in the feeling since the influx of so many men who were so well versed in the financial situation. Reports from all over the Central West indicate that there have been good rains over practically all of the agricultural districts. "We are simply resting" said Walton H. Holmes, president of the Pioneer Trust Company, when asked about the financial situation. "There is little to report save that everything looks extremely bright. I believe that this part of the country will revive wonderfully within the next few weeks as the crop prospects are in every way satisfactory."

Opening of New Bank

The directors of the Commonwealth National Bank which was recently organized in Kansas City have elected the following officers: G. M. Smith, president; J. E. Hutt, vice-president; L. C. Smith, Llano, Tex., cashier; E. J. Short, assistant cashier. G. M. Smith was formerly president of the Central National Bank of

Kansas City and later of the National Reserve Bank. The Commonwealth will have a capital stock of \$250,000 with \$50,000 surplus and will open June 15th in the remodeled banking rooms at Ninth and Walnut streets. These are the directors of the new bank: G. M. Smith, J. E. Hutt, L. C. Smith, George E. Ricker, Fletcher Cowherd, W. H. Avery, W. F. Waller, W. L. Lacy, A. Munroe, Lawrence, Kan.; Charles Hoefer, Higginsville, Mo.; and J. C. Swift.

Dissapproves Bank Guaranty Law

Dan J. Riley, president of Group One Nebraska bankers, at the meeting of the group May 23d, took this shot at the Nebraska bank guaranty law: "Beyond question our people have forsaken speculation for investment. Justice White's opinion upholding the constitutionality of the bank guaranty deposit act, fetters by a legal and moral obligation my conduct of my business, but not my mind. The people of this state have begun to realize that the banker is a physician sitting at the financial pulse of the nation."

Bond buyers have made many inquiries about the issue of \$250,000 for money to build a convention hall in Hutchinson, Kan.

Guarantee Assessment

Secretary Royse, of the Nebraska banking department, says that he is experiencing very little difficulty with state banks that are trying to evade the guaranty assessment. He says that only sixteen or eighteen out of a total of 667 state banks in Nebraska have made any move to get national charters. Secretary Royse has sent out letters to all of the state banks notifying them that statements for the six months ending June 1st must be sent in so that the amount of the guarantee tax levied against each

bank may be computed and certified in time to make the first levy July 1st, the latter date being that set by the legislature.

Banking Notes

Since the recent convention of the Oklahoma State Bankers Association the opposition to paying the guarantee assessment has dwindled considerably. J. C. McClelland, member of the Oklahoma banking board is of the opinion that the board will have no difficulty in collecting from practically every state bank in Oklahoma with the exception of the three banks in Guthrie that have prepared to fight in the courts. More than twenty state banks that held out before the bankers convention, are now ready to pay. "Since the convening of the Oklahoma Bankers convention," said Mr. McClelland, "the state bankers have a more satisfactory feeling than before. They were made to feel that the bank guarantee law was one of permanence, and was highly successful in its operation. Heretofore the state bankers have had considerable opposition from the national bankers and naturally were made to feel that the banking law was not satisfactory."

Dr. John T. M. Johnson, president of the National Reserve Bank of Kansas City combines business and religion. While he is devoted to banking Dr. Johnson also finds time to do considerable preaching, being an ordained Baptist minister. Last week Dr. Johnson went to Wichita, Kan., to preach in the First Baptist church, Sunday morning, May 21st.

That Omaha is the rendezvous of yeggmen, was the declaration of W. B. Hughes, retiring secretary of Group One, Nebraska Bankers, which met at Lincoln last week. Mr. Hughes claimed that there were certain rooming houses

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in Omaha in which none but bank robbers were allowed to stay and that these places formed a recruiting station.

W. P. Phillips, convicted recently of violation of the national banking laws while cashier of the First National Bank of Vinita, Okla., has been sentenced to five years' imprisonment at Leavenworth.

These new reserve banks for state banks have been approved within the past week: Greenville National Exchange Bank of Greenville, Tex., for the First Guarantee State Bank, Pittsburg, Tex.; Oklahoma Stock Yards National Bank, Oklahoma City, Okla., for the First State Bank, Seminole, Okla.; Lumberman's National Bank, Houston, Tex., for First State Bank, Amarillo, Tex.

The indictment against Eugene F. Blaise, former president of the Farmers' National Bank, Tulsa, Okla., has been quashed. Blaise was charged with overdrawing \$8,000 from his bank, then making a note for \$10,000 covering the overdrafts. The bank was closed, sold and reorganized, then the note was paid.

Leonard Imboden, the frenzied financier who organized a bank in Kansas City some years ago on a total capital of forty dollars, and who has just completed a term in the Colorado penitentiary for wrecking the Denver Savings Bank, has gone to New York where he says he expects to raise enough money to settle all claims against him, amounting to half a million dollars.

NAMES 50 NEW POSTAL BANKS

Washington, May 29.—Postmaster-General Hitchcock designated to-day fifty additional postal savings depositories, making the number to be in operation before July 1st more than 300.

Among the offices designated to-day, which will open for the receipt of deposits on June 27th, are the following:

Ottawa, Collinsville and Staunton, Ill.; Sheldon, Iowa; Iron Mountain, Mich.; Crookston, Minn.; Yankton, S. D., and Wauwatosa, Wis.

EX-PENNSYLVANIA PRIVATE BANKER ARRESTED

San Francisco, May 30.—Michael Korlath, formerly president and manager of a private bank at Windsor and Scalp Level, Pa., was arrested yesterday on a charge of embezzling \$20,000 from the bank he conducted.

CONNECTICUT DESIRES DIRECT CLEARINGS IN NEW YORK

The Connecticut Bankers Association, through the executive committee, have made a proposition to the committee of the New York Clearing House that if New York will permit Connecticut checks to be accepted at par by the New York banks, the Connecticut banks will pay at par in New York exchange, upon the day of presentation, for all checks drawn upon them and sent direct by the New York banks through some clearing agency to be selected by the New York banks. In cities where there is a clearing house, checks on all the banks may be sent to the clearing house and in towns having more than one bank, all checks on banks in such towns may be sent to one bank which shall be selected to clear for all.

This proposition is being favorably received by the New York bankers as it will give them direct collection facilities and they will get New York funds for their checks in two days, whereas it takes about a week under the present method of making collections besides the cost of the one-tenth of 1 per cent collection charges.

If the clearing house committee considers

this proposition favorably it will benefit the merchants and manufacturers who are now compelled to pay the regular exchange charges upon all checks received from their Connecticut customers, which charge the Connecticut bankers feel is unjust and in order to have it removed are willing to give the New York banks the benefit of a direct collection system and a par settlement in New York funds upon date of receipt as they believe the change will be in the interest of good banking and benefit not only the New York and Connecticut banks but the depositors in the banks of both states.

BIG BOOM IN NEW BANKS

A new state bank opened Wednesday morning. The Douglas State Bank at Thirty-first Street and Michigan Avenue, capital \$200,000. This is the fourth bank to open on Michigan Avenue, the Railroad Exchange, which has been merged into the People's Trust and Savings, organized a year ago and occupying quarters in the Peoples Gas building, and the Michigan Avenue Trust and Savings, which opened last fall just south of Twenty-second Street.

The Douglas establishes a link between the last named and several state institutions further to the southeast. Its president was formerly cashier of the South Side State Bank. The officers and directors follow:

President—William Hardy.

Vice-President and Cashier—A. P. Uracek.

Directors—H. E. Otte, W. H. McClellan, Edward Hudson, David Rosenheim, Henry P. E. Hafer, A. P. Uracek, William Hardy.

Several other banks opened this week or will open shortly. Among them the Home Bank and Trust Company, Old Colony Trust, American State, State Bank of Lake View, Madison Street State, and South Chicago State.

During the year there have been increases in dividend rates as follows:

Austin State, 8 to 10; Central Trust, 7 to 8; Drovers Trust, 6 to 8; Kenwood Trust, 6 to 7; Lake View Trust, 5 to 6; Merchants' Loan and Trust, 12 to 16; National Produce, 4 to 6; North Avenue, 6 to 7; Northwest State, 4 to 5; State Bank of Evanston, 8 to 12.

New banks organized during the year and now doing business include the Standard Trust and Savings, People's Trust, Midcity Trust, Michigan Avenue Trust, and the LaSalle Street National Bank.

A new state bank is being organized at Stockdale, Kan., with a capital of \$10,000.

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Editorial Comment

THE PRESIDENT ON BANKING

In refusing pardons to a number of bankers, now doing penal service in United States prisons, President Taft singled out the case of John R. Walsh to write a key-note opinion hereafter to govern in all similar cases. Scarcely a state but has petitions on file to have one of its former distinguished residents restored to freedom and to citizenship. The chief executive in the course of his opinion gave out some mighty wholesome comment on the "insidious and dangerous moral turpitude" which the national banking laws were "specially enacted to punish."

The Walsh petition is voluminous and Mr. Taft believes the signers are blinded by sympathy to the importance of punishing such breaches of trust. Some of the Taft doctrine is worthy of preservation where it will come before the able bankers of the country. He says:

A bank officer who uses its funds to promote enterprises in which he has a private interest without the knowledge and consent of the shareholders * * * is guilty of a fraudulent breach of trust, is guilty of moral turpitude and must be punished.

No reference to usual business methods, no suggestion of great business enterprises, no excuse of building up useful industries and no subsequent attempt to make good the losses his acts have brought upon innocent persons who trusted him can gloss over the fact that such a man is taking other people's money for his own use.

Such breaches (of trust) sometimes escape punishment because the misuse of the funds result in a profit. In such cases the dishonest bank officer takes the profits * * * and no one is the wiser. * * * Then the officer comes to regard himself as a shrewd manipulator within legitimate business lines. The truth is that in the mad rush for wealth within the last few decades the lines between profit from legitimate business and gain from undue use of trust control over other people's money has been dimmed.

The opportunity to commit such crimes is only afforded to men who have enjoyed a high position in society and have secured the trust and friendship of many. Every case of this kind must present some such consideration and if an executive should yield to them it would defeat the object of the law and present a demoralizing difference between the punishment meted out to the ordinary criminal * * * and one whose position in life should have made for him the strongest restraint against any violation of the law.

Like bank inspection, a careful perusal of the president's words can do no honest banker any harm. They may prove helpful in certain other cases. The peculiarities of the text show that inner circles at the White House

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

are wise to the tempting features of the banking business which the big clearing house of the country have set themselves the task of abolishing absolutely, if possible. The use of other people's money for private gain is the real kernel in the private banker's nut. The latest case of private bank failure in Chicago, this week, shows it, as it has been shown innumerable times. Without universal bank supervision and inspection of the ablest kind such practices as Mr. Taft complains of must continue.

I WAS THE BANK

Last week only we chronicled the collapse of a Chicago private bank where something like eighty thousand dollars of the depositors' money had disappeared in the private business and real estate ventures of the bank's proprietor. It now is rumored that the pass books themselves were trifled with so that depositors' balances were manipulated. But all this is because Illinois has no law putting even savings banks under the protection of state supervision and inspection.

This real estate speculator who financed his building and loan transactions by operating as a bank gave the following excuse for his trouble when summoned to the state's attorney's office.

"I am not an expert bookkeeper," he said. "I am a real estate broker. But to my mind my account with the bank could not have been overdrawn. I was the bank. And I am solvent."

This of course does not pay the depositors. The individual held himself out to the public as a corporation which he was not. He accepted deposits while insolvent and yet his punishment is quite uncertain after the long trail of court decisions and interpretations put upon the law by the attorneys-general of the state. "I was the bank" is the naked truth. There was no real bank, no capital, no corporation, no carefully kept and inspected books, no vigilant board of directors. McCarthy was the bank and there was no hindrance from the state. No license, no inspection, no safeguards of law. The place was called a bank, had been made to look like a bank and the public was swindled. It is too bad such things can happen in the great state of Illinois. Those who have lobbied for twenty years to prevent all kinds

of bank legislation lest the privates be put out of business, are guilty of inflicting thousands of losses upon depositors. The string of failed private banks in Illinois in twenty years must be ten yards long at least.

DEATH OF JOHN V. CLARKE

One of Chicago's most respected and influential bankers, President John V. Clarke, of the Hibernian Banking Association, died early Wednesday morning from acute pneumonia. His illness was quite brief and was not regarded as serious. Mr. Clarke has headed his institution ever since his father's death, and was a director of the Chicago clearing house. His position in the community will be hard to fill. In charity and reform work he always was a leader. Condolences were sent from every bank in Chicago.

NATIONAL CONTROL IN BANKING

The principal nations and many of the states are moving toward banking control. It will not be many years, predict those who have been viewing the conditions, until branches of banks owned in other countries will be compelled to take out local charters. New York state has a bill up for passage now, at Albany, which will compel most of the foreign banks to take out state or national charters. European nations, and many South American countries, do not object to German, English or American banks being opened but it must be done under local charter and control. In Italy banking can be done only under an Italian charter. London still is "open" territory and has banks of all nations. American capitalists establishing banks in South America will confront this condition in most places. Formerly English banks in nearly all countries had the note issuing power. This is being curtailed. New York state seems to be taking the lead in placing restrictions upon foreign banking and may have good reasons for it.

CHICAGO CLEARINGS SHOW GAINS

Clearings in Chicago for May showed gains over May of last year. So far it is the first month of 1911 that has. The total of the checks exchanged during the month was \$1,194,000,000, a gain of \$38,955,000 over the total in May, 1910. The decreases in the clearings of the former months this year ranged from \$14,528,000 in January to \$107,580,000 in April. The change from a decrease of more than \$107,000,000 in the clearings in April to an increase of \$38,955,000 in May indicates considerable growth in the activity of the banks.

In the first five months of this year the clearings of Chicago banks reached a total of \$5,722,000,000, as compared with \$5,948,000,000 in the corresponding period last year. The decrease figures about 3.78 per cent.

The Exchange Bank of Belleflower, McLean county, Ill., will erect a new bank building this season.

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Farm Mortgage Conditions

Valuable paper read before the Charleston, Illinois, group meeting by F. W. Thompson, the farm loan expert of the Merchants Loan and Trust, Chicago

The great need in the farm mortgage business is to broaden its market and popularity, both for primary producers such as country banks and firms situated within a short distance of the farms offered as security for loans and also for the distributors.

Up to the present time the mortgages so arising have found their way to the great life insurance companies of the United States who buy them for their unquestioned safety and comparative higher rate than that afforded by other standard securities. When a farm mortgage is lodged into the strong box of the life insurance company it is safely tucked away from further public use, and its utility ends after serving the purpose of the corporation owning same. The delay occasioned through the purchase or making of a farm loan in this manner is oftentimes exasperating and is usually brought about by irregularities of title which require patience and often much time and ability to patch. At that a vast amount of funds have been furnished for the farm mortgage loan being attested by the \$500,000,000 now in force in the coffers of the life insurance companies and safely another \$200,000,000 can be added by the holdings of savings banks, trust companies, and other corporations in the United States. By far the greatest handicap in converting farm mortgages is that which is occasioned by the country banker in attempting to dispose of good, sound mortgages which he may acquire in

times of plethoric reserves. It is the purpose of this article to endeavor, by suggestion, to offer some means of help and reasons for the failure of the buying public, to purchase more freely of the offerings made by country bankers in our best agricultural districts.

The country banker is handicapped by the sphere of his environment. He is little known outside of, say, a county. The same can be said of the security he has to offer to the public at large. To be sure he has the advantage of his own local market, but the question of taxation of money and credits limits his market from local sources and competition arising from the capital of his own depositors oftentimes takes away the profit from the loan and thereby the incentive to make the loan.

Again the value of the security and the genuineness of the signature is largely a matter of faith on the part of the buyer of the mortgage, and men and corporations of large means are usually of the "show me" kind who require cold, undisputed facts as the basis of their security. The facts surrounding farm mortgages are just as sound (and more so, in my opinion) as those governing any security enjoying a broader market, but the efforts put forth to make people generally believe them have been weak and abortive as compared with railroad and other securities, for instance.

Then again the heterogeneous forms of blanks used by country bankers, with no general uniformity, making places of payment in

every village and hamlet in the United States, does not attract the money of large centers of population. This condition might be satisfactory for local purchasers, but people generally prefer loans payable in New York or Chicago at some large, responsible bank or trust company where endorsements on account of optional payments and for interest payments can be made without sending the principal note and mortgage away for such a purpose.

Again the question of title to the property offered as security acts as a serious bar to the general purchase of farm mortgage securities lodged in the hands of country bankers. Too often have loans been made on the strength of adverse possession and the statute of limitation rather than on the strength of a good, merchantable record title.

What then is the remedy for this condition, and what should be done to make for the country banker (and incidentally for the good farmer) a broader market for a security which is instinctively felt by all to be the best the country affords, when properly surrounded by reliable information and legal title. My first remedy is to suggest the organization of a company sufficiently capitalized, say, by the representative stockholders, directors or officers of a combination of banking houses in one of the principal cities, whose contributing territory is largely agricultural. If it were not for the almost hopeless task of procuring the necessary political help to obtain a charter issued by the

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INVESTMENT SECURITIES

federal government, by which charter the federal government would assume jurisdiction over and supervision of such a company, I would suggest as the best means a specially chartered mortgage bank. For the present that is impracticable, and for present needs I would suggest that the company be a private corporation organized by representative men whose names and character would be a guaranty to the general public of the rightful management and conduct of such a company. This company could establish branches throughout the best agricultural portions of the United States in the largest cities of such districts, through which branches the company could come in almost direct touch with the borrower. This company should include among its functions the right to issue bonds against farm mortgages deposited with a corporation duly organized by law to accept trusteeships, said trustee corporation to be located in any of the principal reserve cities in the United States, the place of payment of the bond governing the city in which such trustee corporation shall be located.

The details with reference to substitution of mortgage loans for those paid or otherwise retired and the requirements of the parent company of the trustee in accepting mortgages in trust, should be made public knowledge. In the infancy of trusteeship as exercised by a corporation, a great many abuses crept into the debenture system which oftentimes proved a weakness and many times hastened the downfall of the company issuing its debenture bonds. Along with the general development in most business lines, the question of trusteeship as exercised by a corporation has had its proportionate share, and at the present time the care and requirements of the large, well managed companies handling trusteeships are of such a nature and their capital is of such a proportion and their standing in the business world of such moment, that a trusteeship, under present conditions, need not cause the concern nor fear that it formerly occasioned, and with a knowledge of the requirements of the debenture company with respect to its purchases of mortgages, the responsible trust company would be held accountable for any breach of trust occasioned by accepting securities inferior and not up to the standard required by the trust agreement.

The company should be denied the privilege

of selling individual mortgages and it should be required to give the public frequent published statements of its condition and of the character of the mortgages behind the series of bonds issued.

A most rigid supervision should be exercised and in turn the corporation so organized should have rigid rules and requirements in its purchases of loans. In short, its reputation should be just as jealously guarded by safe,

sane and competent directorship, as is now the practice in most of our well established banking concerns.

An encouragement of prepayments before maturity should be fostered and urged. These payments and an adequate money reserve would provide means, with which to take care of bonds of the company offered in a general way through exchanges, thereby making a fairly stable price for such bonds. Through companies of this kind a market would be afforded to country bankers for loans measuring up to the standard of the purchasing company. This standard and the territory from which the loans arise, securing a given series of bonds would govern the net return to the investor.

Natural competition between sections would tend to keep the interest rate at its proper point. Efficiency of management and volume of business would earn, in its relative proportion, good, fair, or bad returns for the stockholders of such an institution.

Such a remedy as is here proposed is not easy of accomplishment and possibly offers no immediate relief to the country banker. For such relief, I would suggest the organization of an appraisal board by the associated bankers of a given county, its duties being to appraise from time to time each forty acre tract in the county and, as nearly as possible, ascertain the crop and other returns from the various farm units in the county. This organization should be equipped to furnish accurate plats of each farm unit, showing accurately the ground in cultivation, grass and timber, and the number of acres suitable for cultivation and how thoroughly the farm is tile drained. The judgment of this central organization as to the value of the premises and also the owner's name should be incorporated in any report made. The expense of the organization should be borne by the associated banks and a reasonable charge made for information given to investors should reimburse the banks for the expense of maintaining such an organization. It is needless for me to say that men employed in the central organization should be men of high standing in the community and their judgment unquestioned.

This organization should be charged with publicly making known the attractiveness of the county in which it is found, and from time to time judiciously advertise the farming
(Continued on page 20)

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CHICAGO

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

GROUP SIX, INDIANA BANKERS

Connorsville, Ind., May 26.—Group Six, composed of Indiana bankers, held a fine meeting here to-day, the attendance and the interest being remarkable. The meeting was called to order by Chairman Dan S. Perry, at 10 A. M. in the Opera House. The welcome address on behalf of the city of Connorsville was made by Mayor John S. Hankins. The address of welcome on behalf of the Connorsville bankers was given by Geo C. Florea, president of the First National. Response was by Thos. B. Millikan, cashier, of the Citizens State, Newcastle. After an address by Chairman Perry a short talk on "Progressive Banking" was given by Andrew Smith, secretary Indiana Bankers Association. The meeting adjourned to take an automobile trip of inspection of the local industries of the city. At 12:30 about 200 bankers were served luncheon in the Commercial Club rooms. The meeting reconvened at 1:30. The National Reserve Association was very ably discussed by John Perrin of the Fletcher-American National, Indianapolis. Mr. Perrin set out the plan in a very clear, concise manner. A resolution was adopted by the group meeting favoring the plan. The secretary of the group was requested to forward copies of the resolution to each of the Indiana congressmen and senators. Hugh Theo. Miller, vice-president of Irwin's Bank, Columbus, gave a very interesting address on "Vocational Training in the Public Schools." Another most interesting address was given by Ernest B. Thomas, secretary, Peoples Loan & Trust Company, Rushville, on "Trust Companies." The last address of the afternoon was made by Col. L. P. Newby, president Citizens National, Knightstown. Col Newby's address was on "The Importance of Trust Companies and Savings Banks to the Community." The address was scholarly, forceful and convincing, at the close of which Col. Newby received many congratulations.

The following officers were unanimously elected for the ensuing year:

Chairman, Lucian Harris, Rising Sun; Secretary, R. A. Hicks, Cambridge City; executive committee, Dan S. Perry, Greensburg, J. N. Perkins, Rising Sun, C. D. Johnson, Liberty B. F. Thiebaud, Connorsville, J. W. Tevis, Madison.

Fred I. Barrows, cashier Central State Bank, Connorsville, was named for the nominating committee of the state association.

ANDREW SMITH, Secretary.

TOLONO BANKER HAS MANY ACTIVITIES

In many small towns the banker is "interested" in many enterprises outside of the bank. While there may be a certain amount of hazard in this custom yet there are many Illinois bankers who are conducting safe and conservative business enterprises in addition to their counting-room work. A. B. Campbell, cashier of the Citizens Banks of Tolono, is one village banker who can lay claim to the title of being "busy." Besides his banking work Mr. Campbell is postmaster, is editor of the Tolono Weekly Herald, and is engaged in the insurance and loan business. As his various activities are conservative there is no doubt that Mr. Campbell is faring well in his village life.

Chapter Election

Tuesday night of last week was election night at the big Chicago Chapter, A. I. B. Harry S. Smale of the Continental and Commercial won out over Alison of the Northern Trust and Rich of the Illinois Trust for president. Walter L. Johnson of the Republic defeated Damon of the Union Trust. T. J. Nugent of the First National had no opposition for corresponding secretary and John H. Greer of the Merchants none for treasurer. Members of the executive committee and 27 delegates to the national convention were chosen.

DALLAS CHAPTER MEETING

The Dallas, Tex., branch of the American Institute of Banking opened its new club rooms in the First National Bank building May 18th with an opening meeting. The program was:

Address by Forest Mathis, president.

Music.

Address by W. M. Pierson.

Debate: "Resolved, That the Interchange of Credit Information between the Banks of Dallas would be Advantageous to the Banks." Affirmative: Stewart Beckley and J. D. Gillespie. Negative: A. S. Tucker and William G. O'Connell. Refreshments were served.

Not Deterred by Warm Weather

Summer heat will not deter the Dallas, Tex., Chapter of the American Institute of Banking, from holding meetings through June, July and August. Speaking of the work now outlined one of the officers of the chapter said last week: "The Dallas chapter has arranged a program for the summer months which promise to hold the attention of the entire chapter throughout the whole vacation period. The object of the officials of the chapter is not only to develop the social features of the club, but to educate the members along the lines of sound banking."

MILWAUKEE JUNIOR BANK OFFICERS ORGANIZE

The Milwaukee Junior Bank Officers' Association, which has existed informally for the past two years among employees of various Milwaukee banks, was permanently organized at a recent meeting held in the Hotel Pfister. Officers were elected as follows: President, R. L. Stone, assistant cashier German-American Bank; vice-president, Oscar Kasten, assistant cashier First National Bank; secretary-treasurer, Carl Engelke, assistant cashier Germania National Bank. The association was organized for the purpose of promoting good fellowship among the younger officials of the banks, and also for the purpose of co-operating with a view to increasing their efficiency.

Discussions of questions of the day, also any questions affecting the banking business, will be freely entered into and the meetings are to be made as instructive and entertaining along these lines as possible.

The banks of Sioux City have voted to close at 1 P. M. Saturday afternoon until September 30th.

PITTSBURGH CHAPTER ELECTION

Pittsburgh boasts one of the largest and most progressive chapters in the American Institute of Banking. Its annual elections arouse more interest and excitement than any other political event in the city, and the annual meeting which took place this week was no exception. Following was the successful ticket: President, H. E. Hebrank, Union National Bank; vice-president, A. W. Schreiber, Carnegie National Bank; secretary, B. O. Hill, Second National Bank; treasurer, A. P. Martin, Terminal Trust Company; directors, J. Howard Arthur, People's National Bank; G. P. Richards, Commercial National Bank; W. J. Heyneman, East End Savings and Trust Company, P. L. Adams, Farmers' Deposit National Bank; J. A. Price, Iron and Glass Dollar Savings Bank; H. I. Thompson, Columbia National Bank.

The Mobile Chapter of the American Institute of Banking has elected W. J. Parham, president; P. G. Barnes, vice-president; W. O. Jarvis, secretary, and E. S. McConnell, treasurer.

CHOSEN PRESIDENT OF PITTSBURGH BANK

The directors of the First National Bank of Pittsburgh have elected Oscar L. Telling to be president, succeeding James S. Kuhn, who becomes chairman of the board. Mr. Telling has been in the office of the comptroller of the currency at Washington for four years, latterly as chief of the division of reports and examiner at large. He comes highly recommended by Comptroller of the Currency Murray, who suggested his selection when he found he could not himself accept the position. Mr. Telling was born in Cleveland, Ohio, later being taken to Colorado, where he graduated from the University of Colorado. He has been in various branches of the government since 1899. He will enter actively upon his duties as president of the First National as soon as he can settle up his affairs at Washington.

MEETING OHIO BANKERS PROGRAM COMMITTEE

A meeting of the program committee of the Ohio Bankers Association will be held soon in the headquarters in the Wyandotte building to take up the work of completing the program for the annual convention, which will be held at the Hotel Breakers, Cedar Point, July 5th and 6th.

President Reynolds, of the Continental and Commercial National Bank of Chicago, and Chairman Vreeland, of the committee on banking and currency in the last national house, have accepted invitations, and, with a banker from Pittsburgh, will be the speakers from outside the state. There will be at least three well-known bankers on the program, and it is probable that some leading banker of the state will be placed on the program to speak in relation to collateral loans, which is yearly growing a more important factor in Ohio banking.

The Cohoes Savings Institution of Cohoes, N. Y., paid a woman's savings to a party without her authority, and according to a judgment of the court must make good to her for the full amount—\$157.

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FARM MORTGAGE CONDITIONS

(Continued from page 18)

strength of the county in the daily papers of our large centers of population, thereby giving investors a chance of familiarizing themselves with the given county's farm values and crop returns.

Care should be taken to tell nothing but the plain, unvarnished truth, which could be verified from other sources, thereby giving the organization a standing which it otherwise would not have.

By this means, each farmer needing money ought to get just what he is entitled to and no more. If he is a poor farmer, with the knowledge that his credit and rate will be commensurate with his methods, is it not fair to suppose he will at least make an effort to compete with his more careful neighbors in producing better crops, thereby necessitating the improvement of his farm?

In the last analysis, the farms would be known as Classes A, B, C, D, etc., and farmers would be classified in the same manner. Competition among investors would soon reduce Class A, and relatively the other classes, to such numbers as to entitle these farms to the lowest rate of interest current and also to the highest amount loanable.

There would also be Class A farmers on Class D land, a combination which would be adjusted eventually by investors, who would give due consideration to the mortality of the Class A farmers and the possibility of the Class D farm falling into the hands of a Class A, B, C or D farmer. In other words, with the information furnished by the central organization (and I am assuming this information to be reliable) rightful adjustments of rate and amount loaned would follow.

Now another prime feature absolutely necessary to the convertibility of a farm mortgage is the genuineness of the signature to the principal note, coupons and mortgage securing same; that is, an investor should not have to even burden his mind with doubt that the signatures are those of the bona fide owner of the farm offered as security. With each loan, there should be furnished a guaranty of the bank negotiating same, or a certificate should be furnished by the county association or some sufficiently capitalized concern, attesting to the genuineness of the signatures. In considering the efficiency of the guaranty of the association or corporation making same, I would

suggest that the articles of incorporation provide for sufficient capital to make its guaranty effective in case of forgery. The mortgage papers should all contain a certificate of their genuineness, so conspicuously printed and signed as to allay any question of the validity of the papers forming the mortgage loan.

Another feature which needs great improvement over present conditions is the question of suitable blanks for the purpose of presenting a uniform, durable, and satisfactorily drawn set of papers. One of the main present objections to farm mortgages is the non-uniformity of mortgage papers coming from the various bankers in various localities in each state. At present the taste of each banker is exemplified in the blanks he uses. He invariably requires the payment of funds in his own little town and his particular office, for reasons some of which are good but most of which are selfish, which acts as a bar to many sales by reason of the constant shifting of papers for endorsement of partial payments, and also contributes to the distrust of some investors as to the proper application of payments made at places of payment without notice to a foreign holder of the paper.

Then again, the method in vogue at present, in a great many cases, does not concern itself with alterations and corrections made, because when the papers are drawn and signed, very little thought is given to the silent third party who is to have the opportunity of buying the completed loan, and frequently, to my own knowledge, mortgage papers contain so many alterations and changes as to present the appearance of hen scratches. How do third parties know when the alterations were made? And yet they are charged with knowledge and are forewarned against fraudulent alterations, and would have no defense, if fraud were proven. It is no cause for wonder that such papers find a limited number of purchasers. The wonder is that they are purchased at all.

Last, but by far not the least, the question of title should have some treatment which will relieve the borrower from the necessity of constantly recurring expense every time his abstract is examined, and also be relieved of the exasperating delays attendant upon the meeting of objections of counsel to title. My experience has been that at least 50 per cent of the trouble could be eliminated by having the abstract show the record and not some abstractor's view of the record.

I realize that abstractors are not entirely to blame for this condition of affairs, often being held down by a maximum limit which a farmer or land owner arbitrarily fixes as the value of an abstract and above which he will not pay. A land owner never really appreciates what a complete abstract is worth, until the records of the county in which his land is located are suddenly destroyed by fire or otherwise. It is an act of prudence to have a complete abstract of the record title to one's property. No abstract should be accepted, under my plan for the broadening of the market for farm mortgages, which does not come certified by a corporation of ample capital, accompanied by a bond of at least the amount of the loan, the bond to be given by a responsible surety company not in any way connected with the abstract company, attesting to the genuineness of the matter abstracted and that the abstract as furnished contains and covers all matters and instruments of record affecting the title to a given piece of property.

Very naturally follows the question of the validity of the mortgagor's title to the property offered as security for his loan, even after furnishing a complete record title. It has been my experience that no two examiners of title will agree upon essentials that go to make up a merchantable title. A local examiner is perhaps unconsciously influenced by local knowledge and his judgment of a merchantable title is colored by the knowledge of transactions between people interested in a given title, which is not a matter of record. Then, some examiners of title are not seriously concerned in examining a title for "only a loan," and feel that if they do not overlook an unreleased lien or a tax matter unpaid, they have done their full duty, relying on the bar of adverse possession to cover all the rest of the faults of title.

That the title is the bugbear of the mortgage business, no one will attempt to deny. What is the remedy?

Only two courses are open to eradicate title troubles. First, is the Torrence system; and second, the guaranty of title by a large, well known, efficiently managed, title guaranty corporation, of sufficient capital as to command confidence in its certificate of title.

Eventually, the first named plan would be my choice, but for the present the latter plan. Under the old plan, an investor buying a mortgage from a comparatively small bank with small capital would of necessity be forced to



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have a title examined by his counsel, and, in addition to the expense of this operation, the delay in making the examination and complying with the requirements of examining counsel has often discouraged the country banker from going farther with the business of negotiating farm mortgages. On the other hand, with a complete abstract before it, a guaranty company will govern its charge for a certificate commensurate with the risk it takes of protecting the purchaser of the mortgage loan from defects of title. The purchaser of a loan, accompanied by a certificate of title, is not bothered with the details of title and feels a confidence in the certificate which we would not feel relying on title alone. I am assuming that the company guaranteeing the title in the mortgage is not only amply capitalized but also bears the reputation of being a careful examiner of titles, and whose standards of title are of such a character as to give the greatest amount of confidence in its certificate.

Given these standards and the moral support of local bankers to maintain a high quality of security, I can come to no other conclusion than to predict an increasing market for one of the best securities known to men—the first mortgage on good, productive farm land, wherever situated.

FOREIGN CROP PROMISES FAIR

Washington, May 31.—Crop prospects in most foreign countries are fairly satisfactory. The department of agriculture so describes the situation. Partial failure of the corn crop in Argentina and Uruguay and the backward season in almost all Europe are the only untoward conditions.

A bumper crop of wheat may be had in Argentina if the season proves good. The acreage planted is probably the greatest in that country's history. The same is true of its acreage in flaxseed and oats. Argentina's corn crop, however, shows the smallest yield for years. Uruguay's small crop is a failure. Winter wheat seeding in Australia has been so interrupted by rain as greatly to decrease the area sown. Heavy yields of wheat and oil seeds in British India are indicated.

Spring wheat in Canada gives excellent promise. The seed was in the soil on May 1st, over probably 80 per cent of the land to be sown.

Central Europe shows but fair conditions. Winter wheat is rated average in Germany, but rye is under average. Austria and Hungary report unsatisfactory conditions. Russia on the whole has fared well with its cereals. They wintered well except in some parts of the South, where extensive replowings were necessary.

S. B. Smith has been elected assistant cashier of the First National of Campton, Cal.

Chicago for National Reserve Association Plan

Chicago has gone flatly upon record as favoring the National Reserve Association plan of monetary reform. Eliminating bankers as such, and politicians, and believing that the faults of the present monetary system of the United States can be corrected, and that the present system of banking should be changed with the idea of preventing the possibility of unnatural money shortages in times of panic, the Chicago Association of Commerce on Monday organized against the present system by forming the National Citizens' League.

The purpose of the league is to conduct the widest possible campaign of education with a view toward organizing in every state and territory a broad, non-political movement that will demand federal legislation for currency reform. The league is to spend its every effort for the promotion of a sound banking system.

John V. Farwell has been elected director of the league and Professor J. Laurence Laughlin, of the University of Chicago, is chairman of the executive committee. The personnel of the board of directors, as named in a resolution adopted at a joint meeting of the board of directors and the executive committee of the Association of Commerce at the Hotel LaSalle, follows:

JOHN G. SHEDD, president Marshall Field & Company.

MARVIN HUGHITT, chairman of the Chicago and Northwestern Railroad board of directors.

GRAHAM TAYLOR, Chicago Commons.

HARRY A. WHEELER, president the Chicago Association of Commerce.

B. E. SUNNY, president Chicago Telephone Company.

CYRUS H. McCORMICK, president International Harvester Company.

JULIUS ROSENWALD, president Sears, Roebuck & Company.

CHARLES H. WACKER, president United Charities.

FREDERIC A. DELANO, president Wabash Railroad.

JOHN BARTON PAYNE, president South Park Commission.

A. C. BARTLETT, president Hibbard, Spencer, Bartlett & Company.

A. A. SPRAGUE, president Sprague, Warner & Company.

J. LAURENCE LAUGHLIN, head of department of political economy, University of Chicago.

JOHN V. FARWELL, president J. V. Farwell Company.

CLYDE M. CARR, president Joseph T. Ryerson & Son.

Chicago is to be the headquarters of the Na-

tional Citizens' League, and while well-known Chicago business men constitute the original board of directors who will organize and direct it, the complete organization will include a member from each state and territory.

In creating the National Citizens' League, the Chicago Association of Commerce has put in motion an enterprise that had its inception in a meeting of representatives of leading commercial organizations of the country in Washington, D. C., two years ago, called by the National Board of Trade.

Growing out of that meeting a movement took form in a number of cities for a wide campaign of education to carry home to the people the urgent need for radical currency reform. Chicago was selected as the city from which the national enterprise should emanate.

Incorporation papers will be forwarded to Springfield as soon as the legal forms can be drafted. The first meeting of the directors of the league was held Friday. The movement is intended to appeal to all classes and to all sections, and will be non-partisan.

As soon as the state and territorial organizations are formed it is expected several million people will join. Membership in the league will cost \$1, which amount will go into a fund to defray the expenses of the campaign.

ANOTHER PRIVATE FAILS—ONE INDICTED

Ernest Edman, private banker at Irondale, is reported missing. A bankruptcy petition has been filed in the federal courts. Losses of entire savings threaten hundreds of Polish and laboring people. Edman held out promises of 4 per cent on savings. Warrants are out for his arrest.

Cashier Alfred Robyne of the P. F. McCarthy private bank, which closed last week, Thirty-ninth and State streets, has been indicted. Technically it was for selling duplicate "first" mortgages to depositors. The shortage in spite of these methods is placed at \$85,000.

IS ENTITLED TO KICK

The Gretna (La.) Exchange & Savings Bank complained May 16th that after a week's existence as a corporation, no one had solicited its account. Will open to the public July 1st. C. F. Goelbke is president and C. A. Frick cashier. Gretna is suburban to New Orleans.

The Fort Sutter National Bank at Sacramento has chosen the Western Metropolis Bank, of San Francisco, to be its reserve agent.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

In St. Paul the financial situation is outlined by a financial daily paper editor thus:

Although the next call of the comptroller will show a falling off of deposits in St. Paul banks of several million dollars under last year there is no feeling of depression either in banking or commercial circles. It is just the reverse. The bankers know that local jobbers are carrying the retailers of the Northwest in many instances, not only for the goods they bought last year but for the stocks for this fall and there is no money coming to the banks from that source. The jobbers in some cases are getting money in the East to finance their operations with retailers.

The increase in deposits in local savings banks and in savings banks generally over the Northwest, contrary to the reports from the commercial banks, shows healthy growth. In fact the increase in deposits for four months of this year compared with a year ago is at the same rate. In May there was a slight dropping off, due possibly to the fact that taxes are paid that month.

The steady growth of the savings accounts shows, however, that the business of the city is on a stable basis. There is no tendency to spend money needlessly. On the contrary, clerks and factory hands are conserving capital.

Bankers are generally optimistic over the crop outlook, regarding it as much better than a year ago, and some refuse to entertain a fear that anything can come to prevent a big crop now.

Bumper Crop Predicted

Returning from northeastern North Dakota John B. Tucker, president of the Minnehaha State Bank, says of the crop: "I am thoroughly convinced that statements of the farmers and bankers there and that part of Minnesota between Minneapolis and North Dakota are well founded. They say that if conditions such as they have been having will just continue with the proper moderation toward the end there

will not only be a full crop, but a bumper crop.

"Of course it is too early to count unhatched chickens, but the indications point to a wonderful yield for the coming harvest. There is plenty of moisture. Ducks are plentiful where last year they would not stay because they could not get enough water to wet their feet."

With E. W. Decker, vice-president of the Northwestern National, the week has not been rosy. Compelled to remain home for recovery from an operation he discovered the house on fire and the Rocky Mountain goat he shot several seasons back in danger of being singed. The loss is \$3,000.

Perry Harrison, shaved as to his moustache after many years of its cultivation, has been

reintroducing himself at the Security National, and is now able to get checks cashed and attend the meetings of the various committees. He is a changed man, in appearance.

James A. Tawney, former member of congress, is to be the principal speaker at the meeting of the first district Minnesota bankers, June 5th and 6th, at Winona. One hundred bankers are expected. The Winona bankers entertain. C. B. Hazelton, assistant secretary of the Union Trust Company of Chicago, is the outside speaker. He will talk on "Bank Advertising." J. L. Mitchell of Austin will lead the round table discussion.

The existence of the First National of Kalispell, Mont., has been extended until May 23d, 1931. The First State of Marble, Minn., has been converted to the First National.

Banking Notes

The Security Trust Company of St. Paul has bought \$270,000 Beltrami county drainage bonds and the First National and Northern National banks of Bemidji have taken \$60,000.

John Mathews of the First State, Bowdle, N. D., says "Conditions could have not been better in and around Bowdle. It is so all over the state with a good outlook even in the northerly and westerly portions."

Contracts have been let for remodeling the New York Life building in Minneapolis belonging to the First National interests. The changes will cost \$100,000.

Two new state banks in Minnesota are the Farmers' & Merchants' of Marietta, \$15,000 capital, J. C. Draper and other incorporators; State of Virginia, capital \$50,000, F. H. Wellcome of Minneapolis and others incorporators.

The organization of the Kenyon State, Minn., was completed recently by seventy-five farmers, and business men, with \$25,000 capital. Directors are Andrew Finstuen, S. A. Bullis, S. G. Nolan, G. A. Flom, P. L. Berg, B. C. Fogelson, J. R. Kylo, George Strandemo and A. B. Lee. Mr. Flom is cashier.

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we have sold.

OWNERS OF CHICAGO BANK STOCKS (Continued from page 11)

year ago. The following shows the changes in that and some of the other bank stock holdings during the past year:

Continental and Commercial National

1911.	*1910.
Charles W. Allen, Kenosha, Wis. 1,500	1,500
Nathan Allen, Kenosha, Wis. 1,800	1,500
B. A. Eckhart, Chicago 1,449	1,208
E. H. Gary, New York 4,035	1,600
E. A. Potter, Chicago 1,006	1,033
George F. Baker, New York 1,124	2,730
F. Weyerhaeuser, St. Paul, Minn. 1,395	1,162
J. Ogden Armour, Chicago 9,350	5,466
Mrs. Malvina B. Armour 3,276	2,730
Alfred Cowles, trustee, Chicago 1,900	1,280
Illinois Life Insurance Company 2,000	1,650
Curtis J. Judd, Dwight, Ill. 1,437	1,213
Charles H. Morse, Chicago 1,617	1,000
R. H. McElwee, Chicago 2,200	1,700
James A. Patten, Chicago 3,067	1,462
Mrs. Elizabeth S. McElwee, Chicago 4,000	3,000
Robert McElwee, Chicago 2,200	1,700

*Continental or Commercial.

First National Bank

George F. Baker, New York 2,000	1,550
John H. Barker, trust, Michigan City, Ind. 2,000	1,600
Adolphus C. Bartlett, Chicago 1,250	1,000
Grace C. Bergquist, Chicago 1,800	1,418
Samuel M. Nickerson, trust 2,000	2,000
D. M. Cummings, Chicago 2,250	1,765
Deering Harvester Company 2,000	1,300
Otto Young, trust 1,500	1,200
James B. Forgan 2,648	1,466
James J. Hill, St. Paul 1,500	1,200
E. T. Jeffery, president Denver and Rio Grande Railroad, New York 1,400	1,108
Edward Morris 4,327	3,462

Another very important holding of local bank stocks is that of Edward Morris, whose principal interest is in the First National. The value of the Morris bank stock probably is close to the most valuable of the other single interests in the city.

James A. Patten has bought liberally of the stocks of local banking institutions and has become an important holder. Other prominent interests in the banks are the McCormick holdings in the Merchants' Loan and Trust, the Blair family interest in the Corn Exchange, and the holdings of E. H. Gary of the United States Steel Corporation in several local institutions.

The first publication of the list of stockholders of the LaSalle Street National credits Senator Lorimer with 1,010 shares and C. B. Munday, the vice-president, with 1,496 shares.

Contractor J. T. Colleton has placed a vault 10x12 feet in the new building of the state bank at Industry, Ill. The institution is a new enterprise with a capital stock of \$10,000. Mr. mann Schulz of the Industry community has been elected cashier. This makes seven banking institutions for Austin county.

HAMILTON NATIONAL, CHATTANOOGA

June first the Hamilton National, of Chattanooga opened with a capital of one million, and a surplus of half a million, and as sole owners of the new Hamilton National building. Thus Chattanooga's first million dollar bank is the Hamilton National. At a recent meeting of the stockholders, at which there was practically a full representation, action was taken to increase the capital stock to \$1,000,000, this big change was made effective June



T. R. PRESTON

President Hamilton National Bank, Chattanooga, Tenn.

1st. The surplus and profit has been increased to \$500,000, making the total capital and surplus of the bank \$1,500,000. The fine institution of which T. R. Preston is president therefore becomes the premier national bank in point of capital in East Tennessee, and with one exception, the largest in the state of Tennessee. Growth of Tennessee's banking power has attracted outside attention already, and the big growth of the Hamilton will justify all predictions. T. R. Preston is being congratulated from banks in all parts of the union.

PEOPLES DEPOSIT VAULTS READY

The vaults for the safe deposit department of the Peoples Trust & Savings, in the basement of their banking quarters, Peoples Gas building, Michigan Avenue and Adams Street, will be ready for use by June 1st. John W. Gorby, manager of the safe deposit department has had valuable experience in this line of business, having been for several years past employed by the Central Trust in a clerical capacity, and when they acquired their present quarters at 125 W. Monroe Street, he entered the employ of the Chicago Safe Deposit Company.

SCHLAFLY STRIKES OIL

August Schlafly, director in the Mississippi Valley Trust Company and formerly president of the Missouri-Lincoln Trust, has struck oil on his property near Carlyle, Ill. The first well, which was shot last week, began producing at the rate of over 500 bbls. a day. During the last year numerous prospectors have been developing the new field. Schlafly has some 4,000 acres of land in the belt, and after watching developments, decided to do a little boring on his own hook, with very happy results. Mr. Schlafly owns several banks in Illinois, besides large banking interests here, and says he will still stick to financiering, in spite of having "struck oil."

Convention Dates

MASSACHUSETTS—Swamscott, June Secretary, G. W. Hyde, Boston.

SOUTH DAKOTA—Sioux Falls, June 7 and 8; Secretary, J. E. Platt, Clark.

GEORGIA—Tybee Island, Ga., June 8 and 9; Secretary, L. P. Hillyer, Macon.

OREGON—Portland, June 9 and 10; Secretary, J. L. Hartman, Portland.

IDAHO—..... June 12, 13 and 14; Secretary, L. A. Coate, Boise.

MICHIGAN—Detroit, June 12 to 17; Secretary, H. M. Brown, Detroit.

PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.

CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.

IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.

VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 21; Secretary, Charles R. Frost, Minneapolis.

CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WEST VIRGINIA—White Sulphur Springs, June 11 and 12; Secretary, J. S. Hill, Charleston.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

NATIONAL CONVENTION—American Institute of Banking, Rochester, New York, Sept. 7, 8 and 9.

WASHINGTON—Wenatchee, September 14, 15 and 16; Secretary, P. C. Kaufman, Tacoma.

ILLINOIS—Springfield, October.....Secretary, R. L. Crampton, Chicago.

AMERICAN BANKERS' CONVENTION—New Orleans, November 13 to 18; Headquarters, St. Charles Hotel; Secretary, Fred. E. Farnsworth, 11 Pine St., New York.

F. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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Pacific Northwest Banking News

Spokane, May 31.—That Spokane's supreme confidence in itself and its unbounded faith in the future of the tributary country, which was the means of attracting eastern capital and has returned satisfactory profits to the investors, will result in the investment of still larger amounts of money, is the prediction of William J. Dutton of San Francisco, president of the Firemen's Fund Insurance Company, who was in the city a few days ago. The company, which already has important investments in the Inland Empire, contemplates placing larger sums in and near Spokane, and the primary purpose of Mr. Dutton's visit was to get into actual touch with conditions and affairs. He expressed himself as highly pleased with the activity and progress of the city and the development of the surrounding country, saying he could now easily understand why this district is held in such high esteem all over the United States. Spokane is preparing for the future, he added, and the work is well planned and carefully carried to successful conclusion.

Fruit Crop

Letters from bankers in various parts of eastern Washington to Thomas H. Brewer, president of the Fidelity National Bank of Spokane, confirm the reports sent out early in the spring regarding the fruit crop, saying that the yield will be larger than ever before. The apple crops alone will be more than 6,500 cars. Most of the districts report there will be a full crop of peaches, while others declare the pear crop will be the largest in the history of the state. The berry yield also will be more than ordinary. The loss on the whole by late frosts in Yakima county will not exceed 5 per cent.

Banking Notes

Fifty thousand dollars in bonds will soon be issued by the city of Spokane to test a day labor plan originated by David C. Coates, commissioner of public work. The bonds are to bear not more than 4½ per cent interest and will run 20 years. The issue will provide what is to be known as the "City of Spokane Local Improvement Working Fund of 1911." Commissioner Coates says the money realized from these bonds is for use only until such time as the property holders begin to pay in their assessments for improvements.

Advices received in Spokane from Boise, Idaho, say that never before in the history of the state land board have so many applications come for loans. There are applications on file now for more than \$400,000. The state is limited in the amount it can loan as only the proceeds of the sales of forest lands are to be put in this class.

Union Trust and Savings Bank of Spokane is making a novel educational campaign, to explain to the public the object of a trust company. The exploitation bureau is issuing a monthly pamphlet called "The Marble Monthly," dealing with the various departments.

Fritz Miller, who was arrested at North Ya-

kima, Wash., recently will serve an indeterminate term of from two to twenty years in the state's prison for attempting to cash a check for \$7, which was raised to \$70. The trial occupied only a few minutes and in less than an hour after sentence was pronounced he was on the way to Walla Walla.

J. Grier Long, president of the Washington Trust Company and member of the board of education of Spokane, has submitted a plan for the establishment of polytechnical work and a more thorough drill in the common branches in the public schools of Spokane.

Dr. George A. Moore of San Francisco, president of the Pacific Mutual Life Insurance Company, is in Spokane visiting his son, George J. Moore of the Western Union Life Insurance Company.

German Savings & Loan Society of Spokane has loaned \$25,000 to the Spokane Interstate Fair Association for five years at 7 per cent.

George K. March of Pierre, S. D., a director of the National Bank of Commerce, will move to Spokane next fall.

Seattle

May 29.—J. H. Bloedel, one of the leading lumber manufacturers of the Pacific Northwest, J. W. Maxwell and A. H. Rhoades have been elected directors of the Commercial State Bank to fill vacancies caused by the resignation of Clyde C. Chittenden, J. R. McLaughlin and John McMaster. The change in the directorate of the bank is a step in the reorganization of the institution and its conversion into a national bank under the name of the National City Bank of Seattle.

Mr. Maxwell will be president. The capital stock will be raised from \$200,000 to \$500,000 and a surplus fund of \$100,000 created. F. W. Baker, Charles H. and Frank D. Black, prominent Seattle capitalists, will be on the new board of directors. The organization will be completed by June 1st.

A new state bank has been organized at Chewelah. A charter has just been issued by State Bank Examiner J. L. Mohundro. The bank is capitalized at \$15,000. George W. Seal, of Colville, is president. Other large stockholders are: Senator A. W. Anderson, Addy, and Charles Adams, Chewelah. The institution has commenced business.

J. F. Allen, a representative of the Seaboard National Bank, of New York, spent several days in Seattle looking into prospective investments. Mr. Allen has been the guest of J. E. Chilberg, vice-president of the Scandinavian-American Bank.

The Dexter Horton National Bank of Seattle has opened a bond department for the sale to investors of home securities. Interest in stocks and securities is steadily increasing in Seattle and the Northwest and the bank purposes to increase the facilities enjoyed in Seattle for such investment.

MICHIGAN BANK CHANGES NAME AND INCREASES CAPITAL

The Peninsular Savings Bank of Detroit, Mich., organized in 1887, with an authorized capital of \$500,000, has voted to increase its capital to \$800,000, and to change its name from the Peninsular Savings Bank of Detroit, to that of "Peninsular State Bank." The increase of capital is to be brought about through the declaration of a 20 per cent dividend, and the new issue of stock to be distributed among stockholders of record at the ratio of 160 pro rata, according to their present holdings and sufficient to bring the capitalization up to the required amount. Should there be any stock of the new issue not subscribed for by stockholders, it is to be offered in the open market at 170.

According to last published report, the bank had deposits aggregating \$8,182,675; surplus, and undivided profits, \$299,934, and declared its usual 2 per cent quarterly dividend. John H. Johnson is president.



The Old National Bank OF SPOKANE

This bank is thoroughly organized and equipped for the proper handling of all items drawn on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier



CAPITAL
\$200,000.00

SURPLUS
\$50,000.00

THE

OLD COLONY TRUST AND SAVINGS BANK

OPENED IN THE OLD COLONY BUILDING
DEARBORN AND VAN BUREN STREETS
THURSDAY, JUNE FIRST, 1911

OFFICERS

THAD. H. HOWE	President
RALPH C. WILSON	Vice-President and Cashier
HUGO MEYER	Assistant Cashier

DIRECTORS

C. O. BARNES	of A. R. Barnes & Company
E. E. BARRETT	General Manager, Roberts & Schaefer Co., Contractors
GEORGE B. BEATTY	Manager, George P. Ide & Company
E. M. BOARD	President, Cross Press & Sign Company
J. G. BUDDE	Treasurer, Regan Printing House
W. E. BUEHLER, M. D.	
RICHARD J. COYNE	of Coyne Brothers, Commission Merchant
P. L. EVANS	of Cheney, Evans & Wilson, Attorneys
F. A. HECHT	of Kaestner & Company
F. G. HOAGLAND	General Agent, State Life Insurance Company
THAD. H. HOWE	President
RALPH C. WILSON	Vice-President

COMMERCIAL AND SAVINGS ACCOUNTS INVITED



To **Omaha**
Lincoln

and Intermediate Points Every Day
in the Year From

La Salle Station 6:00 P. M.

(On the Loop)

Englewood Union Station 6:15 P. M.

(Convenient to South Side Residence District)

Drawing-room and observation
sleepers, free reclining chair cars and
coaches, dining car service.

Electric Lighted

Iowa Limited for Des Moines at 10:00 p. m., and
other fast trains at convenient hours.

For tickets, reservations,
information, phone, write
or call.

City Ticket Office
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Phone Central 4446

L. H. McCORMICK
General Agent Pass. Dept.

**Rock
Island**

Los Angeles

Russell J. Waters, president of the Citizens National Bank, who has been ill, is considerably improved.

Luke Wood has been appointed assistant cashier of the Equitable Savings Bank. He was for eight years a teller of the German-American Savings Bank, and more recently was connected with the City Tax Department.

Walter Walker, a teller of the Farmers and Merchants Bank, has been promoted to be an assistant cashier of that institution, with which he has been connected a number of years.

A number of Los Angeles bankers are now engaged in the process of forming an entirely new trust company, to be capitalized at \$1,000,000. They expect to have the company ready for business upon the completion of a ten-story office building to cost approximately \$500,000, to be erected on the northwest corner of Ninth and Main streets.

Mayor Conrad, of San Diego, refused to sign the ordinance authorizing the council to dispose of the remaining \$750,000 worth of park improvement bonds, as there is no necessity of selling them until the money is actually needed.

Los Angeles bankers hail with delight the news that Governor Johnson has signed the bill providing for ninety-nine year leases. This is of immense importance to the future building industry in this and other cities in the state. The effect of this law will be to encourage the investment here of money by the large financial institutions of the East, many of which were chary of investing here under short-term leases.

Earl Smith, cashier of the State Bank of Turon, Kan., has resigned.

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for week beginning Wednesday, May 17, 1911, and ending Tuesday, May 23, 1911, both inclusive:

Colorado—Saguache, First National Bank.

Florida—Fernandina, Citizens National Bank.

Kansas—Baileyville, Baileyville State Bank; Jamestown, Farmers State Bank; Vermillion, State Bank of Vermillion.

New York—New York, H. B. Hollins and Company.

Ohio—Cleveland, Guaranty Title and Trust Company.

Oklahoma—Tulsa, Merchants and Planters Bank.

Oregon—Harrisburg, Farmers and Merchants Bank; Metolius, Metolius State Bank.

Texas—Houston, Harris County Bank and Trust Company.

LOCKED BANKER IN VAULT

Two masked men entered the Albany State Bank, Albany, Okla., at 9 o'clock Wednesday morning, May 24th, and forced President P. L. Cain, who was alone in the bank, into the vault and stole \$2,000 in cash. Cain was not rescued until an hour later when his pounding on the vault door attracted outside attention. When rescued he was in a serious condition. The robbers escaped.

CONTRACTOR FOR
Bank and Office
Fixtures,
Vault Doors,
Safes, Safety Boxes,
Steel Omnibuses
and Filing
Equipment



1414 HARTFORD BUILDING

CONTRACTOR FOR
Partitions, Desks
Tables, Chairs
Art Glass Windows
Metal Ceilings
Marble, Mosaic
Rubber and Cork
Floors, Counters

CHICAGO

Indiana

Marco is to have a new bank, with William Hunter, president.

First National of Vincennes has arranged to erect a fine fireproof bank building.

George Wiederoder has been elected president of the First National Bank at Center Point in place of L. C. Kennedy.

Wm. F. Fox has been appointed assistant cashier of the Union National Bank of Indianapolis. No assistant cashier has been appointed to take his place.

J. F. Kreidler has been elected president in place of Walter Vail, deceased; W. W. Vail has been appointed cashier in place of J. F. Kreidler, of the First National Bank of Michigan City. No assistant cashier has been appointed in place of W. W. Vail.

The comptroller of the currency has approved the application of J. C. Lavene, W. E. Bridge, J. E. Brennan, W. J. McAleer, Emil Minas and O. A. Krinbill to organize the American National Bank of Hammond, Ind., with a capital stock of \$100,000.

Michigan City is soon to have a postal savings banks. Postmaster-General Hitchcock today designated 50 additional depositories, 23 of which are in the middle west and among the number is Michigan City. This city has the distinction of being the third Indiana city chosen. Princeton was the first and Gary the second. The operation of the 200 or 300 postal savings banks so far opened has been so successful that the postmaster-general has determined to name 100 new depositories instead of 50 each week hereafter.

Red Oak, Iowa, has been designated as a new postal savings bank.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN YECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

FREDERICK I. KENT

Frederick I. Kent, vice-president of the Bankers' Trust Company of New York City, recently addressed the members of Group One, of the Ohio Bankers Association, at their annual meeting at the Country Club. Mr. Kent is one of the recognized authorities on foreign exchange in this country. He began his banking career as a clerk in the First National Bank of Chicago and worked himself up to manager of the foreign department of the bank. He left Chicago to go with the Bankers' Trust Company. Mr. Kent is one of the active forces in the American Bankers Association.

Des Moines, June 1.—The program for the coming convention of the Iowa Bankers Association has been practically completed. Senator W. S. Kenyon and Professor Hopkins of the University of Illinois have been invited to appear. At this writing they have not accepted. Governor Woodrow Wilson and John Barrett of the Bureau of International Republics at Washington have declined invitations to speak.

The convention will be called to order at Mason City, Thursday, June 15th, at 10 o'clock by President John McHugh of Sioux City. The invocation will be asked by Rev. Lucius C. Clark of Mason City.

President C. H. McNider of the First National will give the address of welcome. George S. Parker, president of the Live Stock National of Sioux City, will reply. There will be music by the Mason City quartette and the annual address by President McHugh.

Reports will be given by the officers and the chairmen of the following committees: Legislative, taxation, bills of lading, special legislative, Sundblad fund, time locks, revision of constitution and by-laws, American Bankers Association.

The forenoon session will conclude with an address "Indian Corn as a Factor in Civilization," by E. R. Gurney, president First National, Fremont, Neb.

The afternoon program starts at 2 o'clock with an address "Progress in Monetary and Banking Legislation," by Prof. J. Lawrence Laughlin, University of Chicago. Following there will be twenty minute talks on "Our Silver Jubilee" led by Emerson Dupuy of Des Moines; address by Charles D. Ellis, president Security Trust and Savings Bank of Charles City; "Reminiscences by the First President of the I. B. A.," G. L. Tremain, People's State of Humboldt; "Remarks of the First Secretary of the I. B. A.," J. E. Henriques, Sioux City.

Thursday evening will be turned over to the social committee. Friday morning the convention assembles at 9:30.

Address—"Recent Legislation on the Subject of Bank Taxation," James G. Berryhill, Iowa National, Des Moines.

Address—"Educational Reform in Minnesota," Charles R. Frost, secretary Minnesota Bankers Association.

Address—"Sound Banking," George M. Reynolds, Continental and Commercial National, Chicago.

Reports of committees, election of officers.

Group One Meeting

Bankers of Group One were present in full force at Sioux City last week. Headquarters were at the Y. M. C. A. Building. George S. Parker, president of the Live Stock National gave the address of welcome. J. Fred Mattert of Sibley responded. John McHugh, president of the First National, Sioux City, spoke on taxation of moneys and credits. E. J. Curtin, of Decorah spoke on "Observations of the Postal Savings Bank and its Workings." Secretary P. W. Hall of the I. B. A. gave an address. After a buffet lunch, Arthur Reynolds of the Des Moines National spoke on the Aldrich plan. At 3:30 the group adjourned to attend the Western League base ball game. Dinner was at 6:30 at the Commercial Club. An interesting program of toasts was given. W. H. Eddy of Boyden was elected chairman

and C. J. Wohlenberg of Holstein was chosen secretary.

Postal Savings Banks

Mr. Curtin's paper on the Postal Savings Bank at Decorah, the first established in Iowa, was an interesting feature of the group meeting. The paper was written by R. Algyr, cashier of the Winneshiek County State at Decorah. He was unable to be present. The paper declared that the postal savings bank at Decorah is generally regarded in that community as a joke. The people, upon discovering that their money is deposited with the post-office and then re-deposited by the government in the regular banks, decided that the postal end of the affair was an unnecessary inconvenience. The total deposits in the postal bank are about \$337 while the Decorah Bank in which this is deposited has \$5,100 deposited in Washington as a bond. Mr. Curtin said that many of the Decorah postal depositors put in \$1 each so as to get certificates of deposit for souvenirs.

Arthur Reynolds' Address Feature of Group Two Meeting

The address of Arthur Reynolds on the Aldrich plan was the feature of the meeting of Group Two at Webster City last week. The convention endorsed E. J. Curtin of Decorah for president of the state association, W. G. C. Bagley of Mason City for treasurer and P. W. Hall of Sheldon for secretary. There is a general belief that the coming state convention will place the selection of secretary of the state association in the hands of the executive council as this is provided in the by-laws. C. E. Narey of Spirit Lake was elected chairman of the group for next year.

Taxation of Banks

Attorney-General Cosson has handed down an important ruling relative to the taxation of banks under the new moneys and credit tax law. He holds that the value of real estate in which the capital stock of the bank is invested may be deducted from the value of the shares of stock when the latter are listed for taxation under the new law. This is to prevent double taxation such as would exist were both assessed.

Julius E. Burmeister

Julius E. Burmeister, who has enjoyed the distinction of being the youngest bank president in the state, considering the size of the institution, has resigned the presidency of the Iowa National at Davenport. Mr. Burmeister has been ill and he resigned because of that and because he wished to give more time to personal business enterprises. He has been in the constant employ of the bank for 20 years. At the age of 14 he started in as errand boy. He gradually worked up until he was chosen president last September. Mr. Burmeister retains his place on the directory board. He also retains his large holdings in the institution.

Forger Sentenced to Seven years

Grover W. Reynolds, arrested in Oklahoma on an indictment charging forgery returned at Waterloo, was sentenced to seven years in the state reformatory by Judge Platt at Waterloo last week. Reynolds pleaded guilty to the charge. He admitted passing worthless paper on at least fifty firms in various states. The young man had a pathetic letter of interces-

sion from his mother at Markle, Ind. This letter was given to Reynolds by the court who advised him to read it each day. Many forgeries are being reported in Iowa these days despite the vigilant efforts of Secretary Hall of the state bankers association.

The bankers at Davenport held their annual summer excursion and picnic May 24th. They boarded the steamer W. W., 150 strong and went to Linwood where a program of sports was given. The second picnic this summer will be held in July or August.

Reports compiled by the secretary of state show that 4,223 automobiles, representing an approximate expenditure of \$3,378,400 have been purchased by Iowans since January 1st. At the present time there are in Iowa 28,012 automobiles, worth probably \$22,409,600. The record shows that each day there are fifty machines purchased in Iowa, mostly by farmers and residents of the smaller towns.

Banking Notes

An important bank change is announced from Sioux City. G. R. Whitmer has been elected president and director of the Farmers Trust and Savings, succeeding James F. Toy, who remains as president of the Farmers Loan and Trust, which is the head of a chain of banks of which the savings bank is one. It is also announced that the capital stock of the savings bank and of the Farmers Loan and Trust is increased from \$400,000 to \$500,000. Mr. Toy has no intention of retiring, but the change is made because of the desire to get new men to assist in caring for the business of the institution which is increasing rapidly.

Two Iowa bankers have been named by Governor Carroll on the new tax revision committee which will go over the tax laws of Iowa and suggest changes when the next legislature meets. The bankers are Charles Voss of Davenport and J. H. McConlogue of Mason City. Others on the commission are M. H. Cohen of Des Moines, B. E. Stonebreaker of Rockwell City and A. C. Ripley of Garner.

The First National at Milford has let the contract for a new brick building to a Waterloo construction firm.

Several bogus checks on the Davenport Savings were cashed by various merchants in Davenport.

The Farmers Bank at Leighton announces a new building this summer.

BANKERS ELECT OFFICERS

Officers for the ensuing year were elected by both the Missouri and Kansas Bankers convention in Kansas City, Kan. They follow:

For Missouri—A. H. Waite, Joplin, president; R. R. Calkins, St. Joseph, vice-president; J. B. Jennings, Moberly, treasurer, and W. F. Keyser, Sedalia, secretary.

For Kansas—John R. Lindburg, Pittsburgh, president; W. W. Bowman, Topeka, secretary.

TAFT TO ADDRESS BANKERS

Announcement is made that President Taft has accepted an invitation to attend the convention of the New York State Bankers Association, which meets at Manhattan Beach, June 22d and 23d. Martin W. Littleton will also be one of the speakers upon that occasion.

BANKER OWNS RESORT HOTEL

Illinois and Indiana banking acquaintances of W. J. De Vol, president of the First National Bank and vice-president of the Citizens Trust Company, Lebanon, Indiana, will find him during the heated term at the Terrace Inn, Bay View, Michigan, where Mr. De Vol plays the part of "mine host." The Terrace Inn looks mighty attractive on the artistic advertising matter sent out by the management.

Marshall & Ilsley New Bank Building

Work on the demolition of the old buildings occupying the site of the new Marshall & Ilsley bank building on East Water Street, Milwaukee, is rapidly nearing completion and within a few days actual excavation and the driving of piles for the foundation of the new structure will be commenced.

The new bank building when completed some time in June, 1912, will take first rank among the most modern buildings in the entire Northwest and will represent a cost of approximately



Water Street front of the new Marshall & Ilsley bank at Milwaukee, Wisconsin. The river front of the building also is to have ornamental columns. Will be one of the finest in the West.

\$250,000. For many months the officers and directors of Marshall & Ilsley bank have been engaged in inspecting representative banking institutions in the more prominent cities of the East, until it is said, that the plans for the new building exclude all of the objectionable features of other banking homes and embody many new and thoroughly practical ideas.

The new building will be constructed entirely of stone with granite base and will be four stories high. It will have a frontage on East Water Street of 60 feet; will be 160 feet in depth, and from the street to the topmost point will be 80 feet in height. The architectural design will conform to the Ionic style with two massive pillars on either side of the main entrance, each 6 feet high and 5 feet 8 inches in diameter. The heavy doors and window trimmings will be of bronze. Across the top of the building will appear the name "Marshall & Ils-

ley Bank," while yet higher up and in the center of the cornice will appear the words "Founded in 1847."

The rear or waterfront side of the building will be an innovation for Milwaukee in that it will conform closely to the architectural design of the front and provision will be made for an entrance on this side if, at some future time, a walk is constructed along the waterfront.

When the Marshall & Ilsley Bank moves into its new quarters it will then round out its sixty-fifth year of continuous existence, thus giving it the right to the title of the "Oldest Bank in the Northwest." On April 22, 1847, Samuel Marshall & Co. opened a bank at what was then known as 196 E. Water Street, or about four doors north of Huron Street on the west side of E. Water Street, as the city streets and numbers are now designated. In 1849, Charles F. Ilsley became associated with the bank and the name was changed to its present title of the Marshall & Ilsley Bank. In 1855 the bank outgrew its initial quarters and moved to the Furlong building on the southwest corner of Huron and E. Water streets. Again, in 1871, new quarters were found directly across the street, or, on the southeast corner of Huron and E. Water streets, where the bank remained until it moved to its present location in the Marshall block at 388 Broadway.

During its sixty-four years of existence there have been few changes of officers. In 1865, Frederick S. Ilsley, Gustave Reuss and Robert P. Ebert were admitted to partnership and the business was conducted as a private bank until 1888 when it was incorporated as a state bank.

The records show Samuel Marshall as president in 1888, with C. F. Ilsley, vice-president; James K. Ilsley, cashier, and Gustave Reuss, assistant cashier. In July, 1901, Samuel Marshall resigned and was succeeded as president by C. F. Ilsley. Gustave Reuss became vice-president, J. K. Ilsley, cashier, and John Campbell, assistant cashier. Following the death of C. F. Ilsley in December, 1904, Mr. Reuss became president; J. K. Ilsley, vice-president; John Campbell, cashier and J. H. Puelicher, assistant cashier. Mr. Reuss resigned January 1, 1908, and the list of officers then appeared as at present—James K. Ilsley, president; John Campbell, vice-president; J. H. Puelicher, cashier and H. J. Paine, assistant cashier.

The Marshall & Ilsley bank has been identified with many events of local history and proudly points to the fact that it safely weathered the panics of '57, '73, '93, and 1907 aside from a number of smaller panics which brought disaster to many institutions in Milwaukee and throughout the entire country.

In point of figures some interesting facts are shown. When the Marshall & Ilsley bank was incorporated in 1888 the capital stock amounted to \$200,000 with deposits of \$2,225,000 and total assets of \$2,477,000. The statement issued in response to the call of March 7, 1911, shows deposits amounting to nearly \$9,000,000, with total assets of over \$10,000,000 and a combined capital, surplus and undivided profits amounting to more than \$1,000,000.

J. Wilson Phelps, cashier, has been appointed president of the American Savings Bank of Los Angeles to fill the vacancy caused by the recent death of T. W. Phelps. A. M. Gibbs was made cashier.

In an interview at Omaha, J. G. Cannon, president of the Fourth National Bank of New York, said: "The decision has been largely discounted. The Standard Oil Company will probably find some other means to continue producing the same results, yet staying within the law. There may be a slight business flurry temporarily, but with no lasting results."

TENNESSEE SESSION

(Continued from page 1)

tration, and inspired by the mandate of our association as found in the recommendation of President Oates in his address before the last convention, and subsequent action upon such recommendation by the state bank section, I called upon P. D. Houston and I. B. Tigrett, who were selected to act with myself in the appointment of a legislative committee, and in December last the following gentlemen were named by us: E. G. Oates, Knoxville; W. A. Sadd, Chattanooga; Sterling Fort, Clarksville; S. H. Orr, Nashville; Fred Collins, Milan, and E. L. Rice of Memphis.

This committee met and selected Mr. Sadd as its chairman. At their request the nominating committee served with them in an ex officio capacity. You will observe that this committee has been selected from different sections of the state. These gentlemen entered vigorously upon the work, and met in Nashville several times preparing a bill to be offered for passage by the 57th general assembly. With the laws of the states of New York, Minnesota, Illinois, Ohio, Virginia, and the recently enacted Alabama law before them, they diligently worked upon and formulated a bill with special reference to Tennessee conditions. In a most thorough manner they considered every phase of the subject. Time and again the members of this committee left their respective homes and places of business to meet here in Nashville and consider section by section the banking bill framed by them. Taking the splendid Alabama law as a basis, they finally agreed upon a measure which, to my mind, was the best code of banking laws ever framed, not excepting the "National Banking Act." This bill was printed and a copy mailed to members of the association. A number of bankers promptly objected to various sections. An organized movement of opposition was soon evident. The committee invited the objecting bankers to meet them and reason together, which was done. As the result of such meeting the original bill was revised and a copy of the redrafted measure was again mailed to the members. The bankers of the state seemed much more favorably disposed towards this measure. Soon thereafter our legislative committee met with the banking committees of both the senate and house, and these committees voted to recommend the bill for passage. The members of the legislative committee were congratulating themselves upon the favorable outlook when an exodus to Alabama of members of the house occurred, breaking a quorum, and legislation has since been impossible.

This brief resume of the work done by the members of this committee cannot give you an adequate idea of the amount of time and labor given unselfishly and patriotically by them. Their efforts failed, and I sincerely regret the necessity of reporting that fact to you. I would utterly fail in my duty if I did not publicly thank the members of this legislative committee for their untiring zeal in preparation of the bill, and the endeavor made by them to have it passed.

As a part of my administration I feel especially indebted to them for their splendid fight to secure better banking laws in Tennessee. This meeting should not adjourn without adopting resolutions of commendation for the admirable work done by this committee.

While the bill framed by them failed of passage, I confidently believe that some future legislature will enact into law practically all of its provisions. I desire to recommend that resolutions be adopted at this meeting providing that the convention of the Tennessee Bankers Association to be held in 1912, shall resolve itself into a meeting for the consideration of the banking bill as originally drawn by the present legislative committee. Agreement should

be reached then and a banking bill formulated by the association, the measure to be known as the "Tennessee Bankers Association bill." Following the bankers' meeting will soon thereafter be held the state conventions of both political parties, and proper committees from our association should be appointed to wait upon the platform committee appointed at these political conventions, and request the endorsement of our bill as a part of their respective platforms. This seems to me to be the practical way of securing bank legislation. These remarks may not be strictly ethical from the standpoint of the ultra-conservative banker who has always held himself aloof from activity in political matters. I am confident, however, that the suggestion is timely. Recent events in Tennessee, to my mind, unmistakably indicate the duty of the bankers, and they should become aroused to the proper sense of public duty, and as a citizen and voter exercise on all occasions the potential influence that the banker should have in the community in which he lives. On any question affecting banks and concerning any proper bank legislation, we should feel no sectional rivalries or geographical jealousies. As we are one in purpose, so should we be one in effort. Neither should partisan or fractional politics betray us into a weakening of our forces by unwise division upon any question. With anything like concert of action by all the bankers of Tennessee, no legislative body would fail to pass measures advocated by them.

No question before the American people today presses harder for solution than finding a remedy for our defective monetary system. For many years the best thought of students of finance and currency has been given to this great subject. The present monetary system is defective and entirely lacking in flexibility. In crop moving periods when the currency of the nation should expand so as to properly provide for the movement and consequent expansion of credits, the volume of our present bond-secured currency remains rigidly fixed.

Those of you who have attended conventions of the American Bankers Association for many years have listened with interest to discussions of this subject, and with the years that have passed you have, no doubt, felt a growing interest in the question. From the time the late Mr. Eckels presented his theory of "asset currency," bankers very generally have been giving consideration to the currency problem. Many theories have been advanced. Mr. Fowler, of New Jersey, a formidable debater and wonderfully well informed on questions of currency and banking, has several times been heard at these conventions. Many others have from time to time, addressed these meetings. Although the question has been before the people for more than a generation, and considered in a haphazard way by the highest legislative body of the nation, nothing has resulted to relieve the weakness in a system that fails utterly to provide a way whereby the banks can expand their note circulation with ease and facility, and to the extent that is necessary. Each year has emphasized the importance of action, and notwithstanding the very costly lesson learned by the panic of 1907, no definite action has yet been taken. The same imperfect system, utterly lacking in inherent elasticity, fails to provide for contraction at periods when that step is necessary. Congress seems to have listened, but has not responded to the cry of the banking, commercial and industrial interests of the nation. The National Monetary Commission, made up of eighteen members, nine selected from the senate and nine from the house, was appointed by congress soon after the 1907 panic, and this commission is charged with the duty of studying the question and bringing about a plan of relief to be submitted to con-

gress. Members of this commission have spent a great deal of time studying systems of other nations and no doubt the whole membership is diligently seeking knowledge along banking and monetary lines.

When George M. Reynolds, of Chicago, as president of the American Bankers Association, delivered his address at Chicago in September, 1909, many that listened were impressed with his statement that: "As the result of study of the financial systems of the various countries of the world, and knowledge gained from actual experience in business of some of the changes necessary in order that we may secure a system of currency that will meet all requirements of our rapidly growing business, and which will at all times command the confidence and respect of the entire business world, I am convinced that we should have established in this country a central bank, with power of note issue to be approved under government supervision and control." I think many that hitherto had entertained different ideas with respect to changes necessary in our monetary system were by this time ready to accept Mr. Reynolds' idea. It has remained for the distinguished chairman of the commission, Mr. Aldrich, to command almost world wide attention by recently offering his plan which is now receiving the close study and thought, especially of bankers throughout the United States. Eminently qualified by reason of his long experience in the highest legislative body of our country, and conceded to be a close student of all questions pertaining to banking and currency, the plan conceived by Senator Aldrich is the crowning achievement in statesmanship of this very able man. He suggests a way out of the difficulties and proposes a system of banking and currency in the United States that will meet every requirement. He has gone very much further than any other leader on the subject. The bankers of Tennessee have no doubt addressed themselves to the study of the problem, and I am pleased to state that we are to be honored at this convention by the presence of one of the leading bankers of the country, a member of the currency commission of the American Bankers Association, and you will greatly interested in what he will be good enough to say upon the subject.

J. LAURENCE SAYS ITS ROTTEN

The banking system of the United States and the relation it bears to the business men and the general public of the country were discussed by Professor J. Laurence Laughlin of the University of Chicago before the ways and means committee of the Chicago Association of Commerce, at a luncheon in the Hotel LaSalle. That the system is a farce was the contention of the speaker. "What we need is union and co-operation in face of danger," continued the speaker. "A central bank in the United States is undesirable and unsuited to conditions existing in this country. We want, and must have, a banking system which will help the entire commercial community, and not just the banks alone."

A special from Bolivar says the private bank of Elias Harris & Son, at Scio (N. Y.) in operation for 25 years has suspended, owing depositors in that vicinity \$20,000 and with assets of \$8,000. The largest depositor was the town of Scio. The bank paid from 3 to 6 per cent interest on deposits.

The vault of the Bangor (Me.) Savings Bank, which figured in the great fire of April 30th, containing cash and securities valued at between \$5,000,000 and \$6,000,000, was opened yesterday by safe experts.

Its contents were found in as good condition as when they were placed in it.

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PLANS FOR MONETARY LEGISLATION

(Continued from page 6)

amended. (Mr. Perrin here gave in detail the chief features of the monetary plan.)

Reserve Money would Accumulate

One feature which perhaps does not present itself at first glance is that all the reserve money of the country would tend ultimately to find its way into the association's vaults. As its depositing banks would ship currency to it from time to time, these shipments would be made up indiscriminately of gold, gold certificates, greenbacks, silver certificates and national bank notes. The National Reserve Association would, of course, not reship gold or gold certificates when called upon for currency, but would send out its own notes. The gold certificates would be presented at the United States treasury, where they would be cancelled and the actual gold taken over to the vaults of the association. Through this process substantially all the gold money in the country, whether coin or gold certificates, not only that in the reserves of banks, but also that now in the pockets of the people, would gradually find its way into the vaults of the National Reserve Association and its notes would gradually form the main body of our currency.

The Greenbacks

It is conceivable, too, that the entire three hundred and forty-six million dollars of greenbacks might thus ultimately accumulate with the association. If all were present for payment at one time the government, of course, could apply only the one hundred and fifty million dollars gold held as reserve against them. If it were authorized by law the National Reserve Association could, in such a situation,

take over the one hundred and fifty million dollars of gold reserve, permitting the government to cancel the three hundred and forty-six millions of greenbacks, which have been such a disturbing factor and have caused us such incalculable loss, and for the difference of one hundred and ninety-six millions dollars enter an open debit upon its books against the government, placing at the credit of this account the excess profits accruing to the government until the account balanced; such a debit could properly be counted as a part of the government debt, owned by the association, quite the same as if bonds were issued for it.

As the reserve money of the entire country steadily accumulated in the vaults of the association, its lending power would correspondingly increase. The gold received by it, whether creating in equal amount a liability subject to check or a bank note liability, would provide a 50 per cent reserve against that liability, and an amount sufficient for a 50 per cent reserve against a new deposit liability of equal amount which might be created by rediscounts to that extent for its customers. As the general stock of gold in the United States is now estimated at more than \$1,700,000,000, the importance is apparent of this tendency of the reserve money of the country to accumulate with the association, whose normal percentage of reserve would doubtless soon be 70 per cent or 75 per cent. It would have such vast credit-extending power as to be almost beyond belief, and certainly far beyond the requirements in any panic.

With such an institution established, the strength of banks would be judged not by the cash in their vaults, but by the character and convertibility of their commercial assets.

If I have been successful in making clear the principles upon which the proposed National Reserve Association would be based, you will see the ground for the statement that, with such an institution in existence, a currency famine would be so impossible as not to be considered, and that the currency as a problem would cease to be considered at all and be regarded simply as an incident and not the vital part of the benefits which such an institution would confer upon our commerce. The vital part would be the organization of credit, through massing the country's money reserves in such a way that under normal conditions the special seasonal needs of the commerce of any section would be met without general disturbance, and in a crisis the general need would be promptly and adequately met and commercial catastrophe readily averted.

With the wide use of bank acceptances and the creation of a discount market, in which they would constantly be bought and sold, we could properly expect both our foreign and domestic commerce to have an important stimulus because of added safety, stability and economy and in due time New York could not fail to become the financial center of the world.

Whatever may be our political convictions or prejudices, Senator Aldrich and the many who have so ably aided him are entitled to our profound gratitude for the masterful way in which this great problem has been grasped and for the comprehensive solution proposed. I believe this suggested plan will bear the most critical economic analysis, that it would cause the minimum change or disturbance in our banking institutions and banking methods and that it would fortify beyond our present conception our banking institutions and the vast fabric of business interests depending upon them.

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5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/4 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c. The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

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The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

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GROWTH IN EXPORTATION IN 1911

Exports from the United States in the fiscal year 1911 will probably exceed by about 300 million dollars the figures of last year, and cross the two billion dollar line. The figures of exports of the Bureau of Statistics, Department of Commerce and Labor for the ten months ending with April, show an excess of 268 million dollars over those in the corresponding months of last year, and for the single month of April, an excess of 25 million dollars over April of last year, thus indicating that the growth in exports in 1911 will approximate 300 million dollars, and the total exports of the year probably exceed two billion dollars. The chief causes of the large increase are found in the large exportation and high price of cotton, and the large exportation of manufactures.

Department of New Business

NORTHWEST

Harlon, Ind.—A new state bank with a capital of \$25,000, has been organized. G. W. Wilbur will be president.

South Bend, Ind.—The Chapin State Bank has been organized with a capital stock of \$50,000. Thomas W. Slick, Joseph E. Neff and S. D. Rider are promoters.

Three Oaks, Mich.—The German-American State Bank is the title of a new enterprise.

Duluth, Minn.—The Central State Bank has been incorporated with a capital of \$25,000. Pentecost Mitchell, John R. McLean, Wm. G. Hogardt, Hamilton Peyton and others are promoters.

West Concord, Minn.—The Farmers & Merchants State Bank has filed articles of organization with a capital of \$25,000. L. F. Irish, of Pine Island; F. J. Southard, of Minneapolis; H. L. Smith, E. H. Bessard and L. Spreiter, of West Concord, are interested.

Sacred Heart, Minn.—A new bank will be opened at this place, capitalized at \$10,000. W. A. Day is president and M. D. Gelsin cashier.

Chelsea, S. D.—The Chelsea State Bank is a new enterprise. B. W. Schoumeiler is president, C. M. Mortenson vice-president and C. A. Robinson cashier.

Billings, Mont.—The Bank of Billings has filed articles of organization with a capital of \$50,000 by S. F. Shoemaker, O. S. Mallow, E. B. Camp and others.

Stevensville, Mont.—The Montana State Bank has been organized with a capital of \$20,000. L. C. Stone, of Mason City, Iowa, is one of the prime movers.

WEST

Oklahoma City, Okla.—The new Continental Trust Co. has begun business capitalized at \$500,000. E. B. Cockrell is president, H. W. Pentecost vice-president, D. A. Duncan secretary and treasurer and E. E. Whittier assistant secretary.

Mountain Park, Okla.—The Planters State Bank has been chartered with a capital of \$10,000. Wm. G. Capps, J. M. Beasley and F. F. Beasley, all of Frederick, are promoters.

Trinidad, Colo.—The new International State Bank has been opened for business, capital \$100,000. John Aiello is president and W. G. Plested cashier.

Lafayette, Ore.—The Lafayette State Bank has filed articles of organization with a capital of \$10,000. S. D. Nelson, A. H. Denny and Keith Powell are promoters.

Los Banos, Cal.—Bank of Los Banos has been organized with state charter; capital \$100,000.

Phoenix, Ariz.—Articles of incorporation of Buckeye Valley Bank have been filed, the capital stock being \$25,000, 250 shares at \$100 each. The officers are L. H. Thayer, president; George P. Brown, vice-president; H. M. Watson, cashier.

SOUTH

Floral, Ala.—The Farmers & Merchants Bank has been organized.

Winthrop, Ark.—The Winthrop Banking Co. has been organized.

Boyce, Ky.—The Boyce State Bank has been chartered with a capital of \$10,000. J. B. Bldridge, of Ennis, is president.

Houston, Tex.—The Continental Trust Company, with \$2,000,000 capital, is organized.

Nashville, Tenn.—With a capital of \$300,000 the Real Estate Bank & Trust Co. has been organized. The officers are: L. M. Jackson,

president; George A. Karsch, vice-president, and M. C. Kayce, cashier.

Vivian, La.—The Bank of Vivian has been organized with a capital of \$50,000. S. W. Smith is president and E. C. Searey cashier.

Memphis, Tenn.—At a meeting of the directors of the newly organized German-American Savings Bank H. J. Lenow was elected president and H. Streuli vice-president.

Tower Grove, Mo.—The Tower Grove Bank has been chartered with a capital of \$100,000. John Schmoll is president.

EAST

Danbury, Conn.—The Peoples Trust Co. has been organized. N. Burton Rogers is president, Chas. D. Parker and H. W. Green vice-presidents and Geo. D. Northrop secretary.

New Enterprise, Pa.—The New Enterprise Bank has been organized, capital \$25,000. John S. Guyer, L. C. Miller, C. O. Brumbaugh, D. S. Brumbaugh and others are interested.

East Berlin, Pa.—Noah W. Sell is president, Z. E. Cranmer, Geo. B. March and F. Altland vice-president and William P. Baker, cashier of the new Peoples State Bank. The capital of the institution is \$30,000.

Thornville, Ohio.—The Peoples Bank is the title of a new chartered institution with a capital of \$25,000. D. S. Foster, John F. Watson and G. E. Schenck are promoters.

GERMAN MORTGAGE BANKS

(From Consul General Frank D. Hill, Frankfurt on the Main.)

The 36 German mortgage banks have now more than 11,000,000,000 marks (about \$2,618,000,000) loaned out on mortgages. Prussia's public debt including bonds issued to build the great network of Prussian railways, is 9,500,000,000 marks (\$2,261,000,000), about \$350,000,000 less than loans made on real estate by these 36 banks. Bonds issued by the banks are about half a billion marks under loans made.

Mortgages are almost wholly on city property. Out of mortgage loans amounting to \$2,680,000,000 on December 31, 1910, only \$160,900,000 were on rural property. Five of the 36 mortgage banks made no loans on country property.

CENTENNIAL OF SAVINGS BANKS

The centennial of the savings banks in America will be celebrated in 1916, and already plans are under way for making the occasion a notable one.

The national and state organizations of savings bank officials will co-operate with committees from the savings bank section of the American Bankers Association and the American Institution of Banking.

The Philadelphia Savings Fund Society, the Provident Institution for Savings of Boston, the Bank for Savings of New York and the Savings Bank of Baltimore, the first American savings banks, will take a leading part in the celebration.

OHIO STATE BANK FAILS

The Gambier Banking Company, a state bank, has been closed by order of the state bank superintendent. J. A. Holmes, of Columbus, has been named to take charge of the institution and wind up its affairs. The bank was capitalized at \$25,500 and had deposits and assets of \$130,000. Shrinkage of certain paper held as assets and inability to realize on this paper at its face value is given as the cause of the failure.

Students of Kenyon College had much money on deposit in the bank.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

Wayne, June 10th. Secretary Adam Smith is "helping on the programs" for the groups and they have been splendid. He doesn't want long, written essays, as a rule, but prefers live, active men who "just talk," but do it effectively and entertainingly.

THE trusts and the labor unions both started out with high intentions. The former were to improve and cheapen production so that the consumer would benefit. The latter were going to improve wages and the condition of the laboring man. There was no talk of restraint of trade nor of throttling methods on the one hand nor employing sluggers and gun men, dynamiters and acid throwers on the other. Can't they be cured?

PEOPLES SAVINGS BANK, Cedar Rapids, shows \$872,441 deposits; doubled in four years. Those Burianek, high-color outfits seem to please a lot of people.

OLD COLONY TRUST AND SAVINGS, (Chicago, not Boston) opened for business in the Old Colony Building, Dearborn and Van Buren, on Thursday last. Thad. H. Howe is president and the versatile and accomplished Ralph C. Wilson, idolized by the chapter boys, is the cashier and vice-president. The location and the board of directors with good official direction ought to win out.

C. H. HUTTIG, St. Louis, is off for a ten days' vacation, recreation and fishing.

CHARLES W. ROSS, formerly with the Commercial National, and since then in the solicitors' department of the Continental and Commercial, has resigned to become cashier of the Northern State Bank, at Grand Forks, North Dakota. Mr. Ross occupied a high position in the esteem and confidence of his superiors who are quite sorry to lose him but wish him every success in his new field. He is an ardent Chapter man and a student of banking. Kindly give him a boost when you can. He's deserving.

ARTHUR REYNOLDS of Des Moines has been kept busy at the Iowa group meetings explaining the National Reserve Association plan. Mr. Reynolds is a member of the Currency Commission and intensely conscientious in his preparation, even for the smallest group meeting. We learn from Secretary P. W. Hall that his addresses have been quite effective.

WILLIAM LIVINGSTONE repeated his Nashville success, at the state convention. He captured the town by his council address at the banquet given by the Nashville clearing house and was booked immediately for the Tennessee meeting.

THE real, live octopus can suck coffee or whiskey right through the side of a glass bottle. Little wonder his New Jersey namesake can draw such large sums from the pockets of the people.

RUMOR has it that Director of the Mint Geo. E. Roberts, pays his private secretary, Miss M. V. Kelly, \$75.00 per week. Yet some say Uncle Sam is a hard master in the matter of pay.

WITH the weather kiosk on the courthouse lawn, St. Louis, showing temperature of 99 $\frac{3}{4}$ degrees who can blame Huttig or any other man with a good excuse for taking to the woods. The wonder is that more of them don't do it?

B. L. HASKINS, cashier of the Chatham and Phenix, New York, was "back home" attending the Kansas convention. B. L. began his career in a bank at Abilene, Kan., for about the same wages he might have had for carrying

water to an elephant. Now he points with pride to his bank with twenty-five millions resources.

KEYSER and Bowman each have a good chance to sue the K. C. papers for libel on those "outline cuts" used convention week. Must have been "stock," used upon occasion of train hold-ups and important captures by the police.

THE latest arrivals in the "Iowa Car" on the New Orleans special are Geo. S. Parker, Sioux City; P. W. Hall, Des Moines and Jos. H. Ingwersen of Clinton. In Chicago Car there are Wm. A. Heath and John R. Noel. In the Wisconsin there is Hugo Von Oven of Beloit.

THE bakers of Missouri like certain bankers in an adjoining state have a secret committee "to do all in their power to prevent the state sanitary inspectors from invading their rights." There is a real reason in both cases. We would have better and cleaner baking and banking with universal inspection. The clean places have nothing to fear.

CASHIER.

KANSAS BANKING CONDITION

(Continued from page 9)

way of handling county and city deposits is safe and I regret that this law makes it so easy to get them. I know of one board of county commissioners refusing to recognize the law.

Within the year the supreme court of the United States has released from injunctions and all other hindrances the bank guaranty of deposits laws of the states of Kansas, Oklahoma and Nebraska and they now are in full operation in these several states. In our state there are something over four hundred banks—about one-half—under the law and adherents of the law are in the main enthusiastic in its praises, while a majority of the bankers still are of an opinion that the principle of mutual guaranty of deposits is unsound, and must ultimately be disastrous to the banking and other business interests of the state and claim old line insurance of deposits the only safe proposition. I believe that out of all this agitation will come better banking and stronger supervision of banks. Indeed, it already has had that effect. Then by and by we shall have laws which will not, of course, prevent bank failures, but which will prevent losses from failed banks. In the last year I recall but two failures—one state and one national, both small. The state bank is now being liquidated under the guaranty law and the national was re-opened the 17th of this month with its capital of \$25,000.00 unimpaired. This evidences good banking, splendid supervision by the departments, both state and national, and also reflects the soundness of the business and farming interests of our great state. Besides, we have additional and satisfying evidence of the general prosperity within our borders in the condition of the banks at last statement call in March. The total of capital, surplus and undivided profits was \$44,000,000.00, total deposits \$177,000,000.00 and the good, strong cash reserve of about 38 per cent. Let us hope that this great business built up by depositors, stockholders and officers may never become a football to be kicked from pillar to post by unscrupulous, designing politicians playing for the franchise of the people as it is claimed has been done in Oklahoma.

You are more or less familiar with the act of 1908, providing for the organization of clearing house associations for the purpose mainly of obtaining in time of a panic, when the actual cash is scarce, additional currency, called emergency currency—such currency secured by a pledge of good notes and commercial paper with the additional guaranty of the clearing house association. Of course, under the law, only national banks can participate, but with the national banks working in such an association the

state banks would be enabled to procure currency in case of need. In all probability there will never be another currency panic, but I am very much in favor of the organization of associations in Kansas along the lines developed to such a high degree of efficiency and perfection in the Kansas City Clearing House Association, but without qualifying legally under the emergency currency act. I deem that unnecessary, for the clearing houses in many of the reserve cities have met all the requirements of the act and already are prepared to procure from the United States treasury on short notice large sums of currency, which I believe is sufficient to meet all demands. My idea is to admit state banks to membership also, and have regularly elected directors, officers and committees. I would have an association in each congressional district, with a regularly employed examiner who shall be in the field practically all the time and make his reports to the executive committee only. This would supplement the efficient service rendered by the examiners of the state and national departments, be of great assistance to those departments and, by reason of the intimate knowledge had by the committee of the officers, banks, etc., in the district, very much better banking methods would be installed, bank failures would be a remote possibility and losses resulting from failed banks a thing of the past.

While I have not made a careful study of the plan outlined by the national monetary commission, I think I am in favor of it and believe that with the national reserve association duly organized and in operation the ebb and flow of currency could be regulated to prevent a superabundance or a famine, interest rates throughout the country made uniform and reasonable and business established upon a firmer and safer basis than ever before. His proposal embodies so radical a change in our currency and banking systems that long years of education and discussion must pass before congress will write the plan into our laws.

Just a word on behalf of the American Bankers Association. It has nearly five hundred members in Kansas. Every bank for its own selfish protection should join, for out of about twenty banks burglarized in Kansas within the past ten months but one was a member of the American Bankers Association, thus proving beyond question that the professional yeggman watches for the little metal sign usually hanging over the teller's window and the bank displaying it is given a wide berth. There are many other advantages, but I will not take the time to recount them. Besides, you know what they are. A meeting of the Kansas members of that association will be held some time during this convention and at the call of G. C. Smith, A. B. A. vice-president. Kansas now has but two members on the executive council. With a membership of five hundred we will be entitled to three. As only a few are lacking, will you not make an effort to secure the requisite number to enable us to have this additional representation on the council?

I would say in conclusion that our association is prosperous and growing, and while all is not serene nor just to our liking, it never was more firmly entrenched in the hearts of the bankers and they were never more determined and willing to give it their hearty, enthusiastic and loyal support. The membership has been increased during the year by forty. There are, however, over a hundred banks that remain outside. Will not each member appoint himself a committee of one to see to it that before the next convention every bank is enrolled as a member of the association—"a consummation devoutly to be wished."

Julius Galland of the Northwest Loan & Trust Company of Spokane is traveling in Europe with his mother.

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send them to The National City Bank of Chicago*

Correspondence Invited

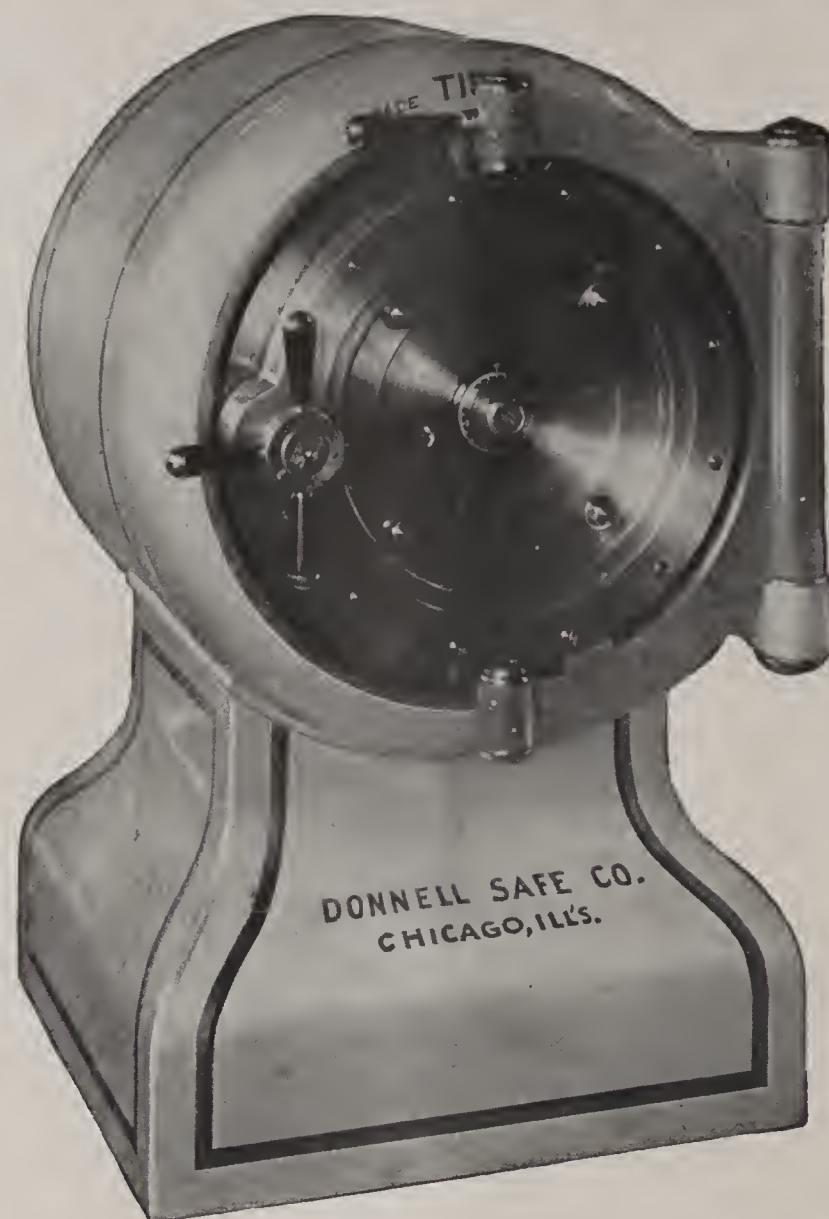
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Deposits, May 6, 1911 - - - 29,031,750.04

OFFICERS

ALFRED L. BAKER	- Vice-President	DAVID R. FORGAN, President	
H. E. OTTE	- Vice-President	HENRY MEYER	- Assistant Cashier
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		M. K. BAKER	- Asst. Manager Bond Dept.

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best equipped safe factory in America. Their Manganese safes are superior to any in the market and we will furnish you with insurance for \$3.50 per thousand for three years. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal if not superior to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second hand deposit boxes that are modern and good as new.

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FOURTH STREET NATIONAL BANK OF PHILADELPHIA, PA.

Capital - - - \$3,000,000.00
Surplus and Profits - - - 6,400,000.00

UNEXCELLED COLLECTION FACILITIES
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The Girard National Bank OF PHILADELPHIA

Capital, - - - \$2,000,000.00
Surplus and Profits, 4,450,000.00
Deposits, - - - 38,500,000.00

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RICHARD L. AUSTIN, Vice-President
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To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JUNE 10, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Convention Week

It is a question whether June hereafter will be celebrated on account of the many weddings which occur during that month or for the number of bankers' conventions scheduled. Seven states will hold their assemblies next week. Most of them are quite prominent on account of their state organizations and the quality of program and entertainment afforded. The travelers' section will be quite busy jumping from point to point and even the busy head of the Continental and Commercial National is down to speak at two widely separated points. Whatever may be said of the money market or of business conditions, the barometer shows high pressure in the matter of bankers' conventions.

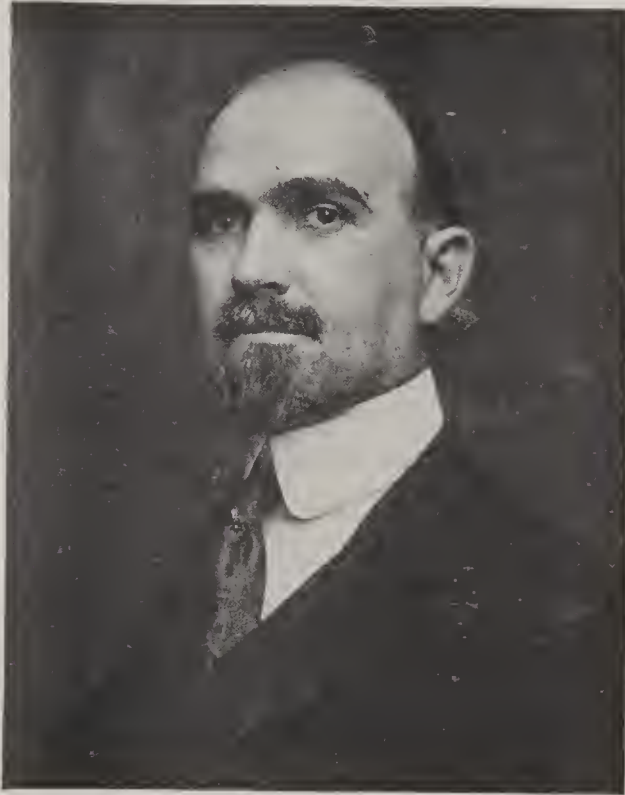
Mason City Convention

Iowa will meet at Mason City, June 15th and 16th, for her twenty-fifth annual convention. John McHugh of Sioux City is president, G. E. MacKinnon of Des Moines is vice-president, and P. W. Hall of Des Moines is the secretary. No other conventions held during the season draw larger attendance. C. H. McNider will deliver the "Welcome to Our City" oration and George S. Parker of Sioux City will respond. There will be quartette singing throughout the sessions, and President McHugh is expected to deliver a very telling annual address. The popular E. R. Gurney of Nebraska will pay tribute to "Indian Corn as a Factor in Civilization." Were Mr. Gurney going to speak in Missouri, the corn pipe would be substituted. The light and airy performance by Mr. Gurney will be offset by a piece of heavy artillery,—J. Laurence Laughlin of the University of Chicago on the statistical subject of "Progress in Monetary and Banking Legislation." Emerson DePuy will speak a piece entitled "Our Silver Jubilee." Chas. D. Ellis of Charles City will enumerate the "Mistakes of the Country Banker." G. L. Tremaine of Humboldt, who was the first president of the Iowa association, will deliver a reminiscent talk with probably an occasional allusion to the world-wide success of his fellow-townsmen, Frank Gotch. The first secretary of the association, who held the job until Colonel Dinwiddie heard of it, will make a short talk. He is J. E. Henriques of Sioux City. After this Kent C. Ferman of Cedar Rapids will preside at the meeting of the American Bankers Association membership. James G. Berryhill of Des Moines will speak on "Recent Legislation on the Subject of Bank Taxation." Charles R. Frost, the energetic secretary of the Minnesota Bankers Association, will talk on "Educational Reform in Minnesota." More heavy artillery! George M. Reynolds of Chicago will speak on "Sound Banking," which subject with Mr. Reynolds has come to be a sort of business religion. There will be a talk on "Back to the Farm," by Professor Armstrong of Charles City.

The Mason City bankers will provide liberal entertainment for their guests and visitors. On Thursday evening there will be special vaudeville attractions and outdoor band concerts. On Friday evening there will be special

(Continued on page 6)

In the Public Eye this Week



W. G. EDENS
CHICAGO



W. W. OSBORNE
SAVANNAH

Mr. Edens (sans whiskers) appeared upon not less than three programs this week, all without the aid of a manuscript or other deceptive device. He is a "talker" of the interesting, instructive type, and has had rapid rise in banking and organization circles. He had a prominent place on the South Dakota program, and B. F. Harris says, "You'd know he came from the Garden City by the bouquets he tosses about."

W. W. Osborne is the president of the Georgia Bankers' Association, and a prominent Savannah banker. He has been a consistent worker in the ranks and deserves his spurs.

MONEY REFORM BODY ORGANIZES

Officers and committees for the National Citizens' League were chosen Wednesday at a directors' meeting at the Union League Club. The body was appointed last week by the Chicago Association of Commerce to organize a movement for currency reform. The officers are:

President—John V. Farwell.
Vice-President—John Barton Payne.
Treasurer—A. C. Bartlett.
The committee chairmen are:
Executive—J. Laurence Laughlin.
Organization—B. E. Sunny.
Finance—Fred W. Upham.
Congressional action—John Barton Payne.
Form of bill—J. Laurence Laughlin.
Publicity—Harry A. Wheeler.

The campaign for banking legislation, according to the proposition laid before the board, will be conducted in Chicago. For this purpose a central office is planned in the loop. The charter of the National Citizens' League was received from the secretary of state this week.

Notice comes from Springfield of the incorporation of the National Citizens' League for the promotion of a sound banking system, Chicago; to secure an improved banking system; incorporators, A. C. Bartlett, A. A. Sprague, J. Laurence Laughlin.

Minnesota June 21

Concerning their convention on June 21st, at Bemidji, Secretary Charles R. Frost, of Minnesota bankers, sends word that "arrangements for the entertainment of those attending are progressing satisfactorily. Indications are now that we will have a much larger number of delegates in attendance than was at first thought. Our program while short, we think is especially strong this year. Ex-Congressman James A. Tawney, of Winona, Minnesota, and Ex-Senator Lafayette Young, of Des Moines, Iowa, are our principal speakers. Mr. Tawney's subject will be "The Proposed Reforms of So-Called Progressives," and Senator Young will talk on "The Banker and Other Men."

Mr. Frost has organized a special hotel train for the trip, including a visit to International Falls.

POSTAL BANK FOR CHICAGO

The time-honored "stocking bank" will pass in Chicago shortly after July 1st. A postal savings bank will be established then adjoining the cashier's office on the Dearborn Street side of the second floor of the federal building. A new government bank will be opened every three days until 1,000 are in operation.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Surplus and Profits \$10,000,000

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES, Secretary

WM. P. KOPF
Assistant Secretary

GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

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CHICAGO

KNAUTH, NACHOD & KÜHNE, Bankers

NEW YORK

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Travelers' Checks in denominations of \$10, \$20, \$50 and \$100 || *Letters of Credit* in Pounds Sterling, Dollars, Marks and Francs

Furnished to Banks and Bankers for direct sale to Travelers

INVESTMENT SECURITIES

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

ESTABLISHED 1873

Capital - \$1,250,000
Deposits 10,000,000

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

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LAWRENCE NELSON, Vice-President
HARRY MOORE, Cashier
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W. C. COOK, Vice-President
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A. E. COEN, Asst. Cashier
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Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

ALL of the Chicago newspapers in printing the details of the almost weekly "bank" failures—such as McCarthy's last week, and Eidman's this week—put the word "bank" in quotation marks. One or two of them put the word "depositors" in quotation also. They mean by that, that the "bank" is not a real one and that the "depositors" are dupes only.

THE "story of how Morgan rid Wall Street of Morse and Heinze, and put over the steel grab" is going the rounds. As printed, it makes ugly use of the names of Clark Williams and A. Barton Hepburn. Here's hoping the latter two may be able to clear their skirts of all blame.

J. T. HOWELL in welcoming the visiting bankers to the Tennessee convention, on behalf of the Nashville clearing house said: "The banker is looked upon in every community as the embodiment not only of energy, enterprise and progress, but also of those high virtues and lofty principles which are absolutely necessary to constitute the well rounded man. From the earliest history of our present civilization, the banking profession has been classed as one of the most honorable avocations, and the men who are chosen to occupy positions of trust and responsibility are selected not only by reason of their ability as financiers, but also and with equal reason, because they have been tried in the balances of integrity and are not found wanting."

LOUIS G. KAUFMAN, president of the consolidated Chatham and Phenix, New York, has had another introductory dinner. The first was by L. E. Pierson, ex-president of the American Bankers Association. The second was by Frank R. Lawrence at the Lotus Club. Among the notables present were Melville E. Stone, John I. Waterbury, R. W. Poor, William Loeb, and Morgan J. O'Brien.

T. W. McCOY of the Merchants National at Vicksburg has a proposal which is worthy of consideration. Let him who has news on the subject say what he would like to do. Following is Mr. McCoy's kindly offer to those who will go by the Chicago Train de Luxe to the New Orleans convention.

"OUR Military Park here is the most extensive of any in the country, and its historical interest, of course, is known to all. It takes from four to six hours to go through the park. We could take care of the party, show them through the park by automobile, and give them a very pleasant stay here. Your state, alone, has spent something like three hundred thousand dollars in our park, and the country at large several millions. The stop-over here of six to eight hours could be made most delightful, and we would like to hear from you, with the hopes that you can get the special in which you are interested to stop over here."

"COL." J. M. DINWIDDIE, the dean of the secretaries (no wretired), is going to New Orleans on the big train. Eight cars full but room for as many more. Come on in, the water's fine.

A BELATED report from Secretary F. M. Mayfield of Tennessee shows that "there are 473 banks in the state. Of course number 99 are national banks and 372 are state banks. Of these we have as members 460 which shows an increase of 13 over the number reported at last year's convention. These have been entirely recruited from the new banks incorporated. There still are 13 non-members, and we urge every banker to assist us in securing the remaining number."

SECRETARY MAYFIELD has hopes of converting that unlucky 13, and places the ideal association at "every bank a member." The income of the association is \$5,163.36, all of which was spent in benefits.

TENNESSEE has an advanced insurance department and aspires to further perfection. See old man Bowman, out on the Kaw, for pointers of "how to get 'em in."

LEXINGTON AVENUE is getting to be a bankers' row, out Hyde Park way. New householders are H. A. Wheeler of Union Trust and A. G. Farr of the Harris Trust. Even our good friend J. Fletcher Farrell has been looking about over there "for a little garden in which to build a house."

L. E. STEVENS, who went to the head of the Century Savings at Des Moines two years ago, has a right to toot his horn, and to toot it hard. The deposits were \$468,797.59 then. A year later they were \$642,544.65 and now are \$743,522.66. There was no "buying" of deposits and no "flattering inducements" offered. All on the square and for keeps.

"MAY, 1911, will go down in the annals of history" says Spencer Trask & Co. "as marking an epoch in American jurisprudence, for during that month the supreme court of the United States had in two cases of paramount importance announced that it stands squarely for the 'rule of reason,' and that demagogism has as little to expect from it as has power derived from unlimited wealth. All through the maze of legal and technical verbiage surrounding both the Standard Oil and the American Tobacco cases, this one fact stands out with impressive clearness, and that one fact alone is worth all the market has suffered while the court's decision was forthcoming."

JAMES J. TOWNSEND is the new president of the Chicago Stock Exchange. Blacksmith, politician and broker—good at all of them. In what "Parson" Davis used to call "a gentlemanly demonstration of the manly art of self-defense"—in earnest or in fun, Townsend never knew how to lose. He made good at every thing he tried!

TOUGH on Harry A. Gross of the C. & N. W. to have the "gout" just as they are opening that \$25,000,000 new station with all its glories and advantages. Nice place to start a bankers special from.

B. B. CASTLE, the John the Baptist of Illinois in matters relating to country clear-

ings, spoke at the Pontiac group meeting on Friday on this subject. He prefers the Connecticut plan (as between that state and New York) but advocates a milder one in hope of suiting the conservatism of the Chicago Clearing House. Mr. Castle gets bouquets and attention when he speaks but thus far "nothing doing."

HIS bank out at Arlington Heights has jumped the half million mark and as a reward of merit for having done so well, is to have a rival. John Hattendorf, a retired maltster of Roselle, Ill., is organizing a new state bank at the Heights.

SO that every man who has the price, and every village, even the unincorporated, may have a bank. William Busse, former president of the county board and at present a commissioner, will head a \$25,000 national bank. Mt. Prospect, population less than 100. Wm. Busse, Jr., will be cashier. Some people think there ought to be a bank at every section line corner in the county. Brewers once thought the same about saloons but being "wise" they divided the territory.

PENNSYLVANIA abandons Bedford Springs, this year, and the state convention will meet at the Hotel Stratford, Philadelphia, next Tuesday and Wednesday, June 13th and 14th, same days as Michigan, at Detroit. William A. Law is president of the Pennsylvania and wanted his home town to have a look in. Before Bedford Springs days Philadelphia and Pittsburgh about divided the honors.

J. A. S. POLLARD of the Fort Madison Savings Bank, is utilizing the big dam in the Mississippi which is to do so much for his city, in advertising his bank. They expect the big turbines to yield 300,000 horsepower, and to create a dam of 100 square miles.

"THE Purchasing Power of Money," is the title of a new book soon to issue from the MacMillan Company, New York. The author is Prof. Irving Fisher of Yale and the book has been called a "masterpiece in economics" by the critics. Similar books by Dr. Fisher have met with great success.

MORE power to the strong right arm of ex-Mayor John P. Hopkins. The fact that he has held public office and has been successful in business gives the cheap reformer no license to retail libelous "secrets" to the uninitiated. President J. J. Townsend of the Chicago Stock Exchange, once brought a newspaper publisher to book in the same way, accompanied with a promise to repeat if necessary.

IF more men had physical courage, certain newspaper abuses would be stopped for good. During a campaign some liberty of speech and a few exaggerated paragraphs are to be expected. In the case of ex-Mayor Hopkins the offense was purely malicious and had not even the pretense of being done for the

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
R. M. MCKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. H. HURLEY, Asst. Cashier

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis is the logical Twin City connection.

Resources, \$26,000,000.00

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C. T. JAFFRAY, Vice-President
A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President
D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres. JOHN F. HAGEY, Asst. Cash.

CORN EXCHANGE CAPITAL - \$3,000,000.00 SURPLUS - \$5,000,000.00 UNDIV. PROF. \$ 500,000.00

NATIONAL BANK OF CHICAGO, ILLINOIS

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CHARLES L. HUTCHINSON, Vice-President
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LETTERS OF CREDIT ISSUED

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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

CHARLES G. DAWES, President
WILLIAM R. DAWES, Cashier
A. UHRLAUB, Vice-President
E. F. MACK, Vice-President
WILLIAM T. ABBOTT, Vice-President
L. D. SKINNER, Assistant Cashier
WILLIAM W. GATES, Assistant Cashier
JOHN W. THOMAS, Assistant Cashier
ALBERT G. MANG, Secretary
MALCOLM McDOWELL, Assistant Secretary
WILLIAM G. EDENS, Assistant Secretary
JOHN L. LEHNHARD, Assistant Trust Officer

DIRECTORS

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P. A. VALENTINE, Capitalist
ARTHUR DIXON, Pres. Arthur Dixon Transfer Company
CHARLES T. BOYNTON, Pickands, Brown & Co.
ALEXANDER H. REVELL, President Alexander H. Revell & Company
S. M. FELTON, Pres. Chicago Great Western Ry. Co.
T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT
CHARLES G. DAWES, ex-Comptroller of the Currency

South Dakota Convention

President C. H. Barrett, of Vermont, reviews conditions and makes suggestions in an able paper

It is comparatively easy for banks to prosper in good times, when prices of commodities are advancing, real estate values constantly increasing and business generally going forward with leaps and bounds. But when business slackens, values shrink, deposits decrease and demands for loans become more insistent, the vocation of the banker ceases to be one of delightful ease. And woe to him then, whose house is not in order, whose loans are not carefully placed, well secured and collectible.

For several years, we have seen prices of farm products advance until they reached levels beyond the expectation of the most sanguine; values of real estate rise rapidly and continuously until it seemed the upward movement would never cease. Deposits in the banks of our state increased from \$14,000,000 in 1900 to nearly \$90,000,000 in 1910. Our farmers have grown rich, real estate dealers prospered beyond belief, merchants and all classes have also shared in the general prosperity. To be sure, the cost of living had also increased but what matter to us of the producing West, while profits and income were increasing by greater percentages.

That movement reached its climax during the year just passed. The era of high prices has passed and for several months a steady decline has been in progress. The values of certain farm products have declined fully fifty per cent and the question now is, where will it stop? Add to this the fact that owing to a lack of sufficient moisture in the year 1910, our crop production was materially curtailed, and the situation is complete.

Under such circumstances, it is but natural that at least a few banks might be expected to show effect of poor management and adverse conditions. No doubt such have been found. If so, under the skillful handling of the authorities in charge, under whose exactions we all groan, say things and finally obey, the weak individuals have all been imbued with new life. And I am able to announce that not one of the 630 state and national banks of South Dakota has failed during the year.

I heartily congratulate you gentlemen thereupon and I congratulate equally the department of the public examiner and that of the comptroller of the currency.

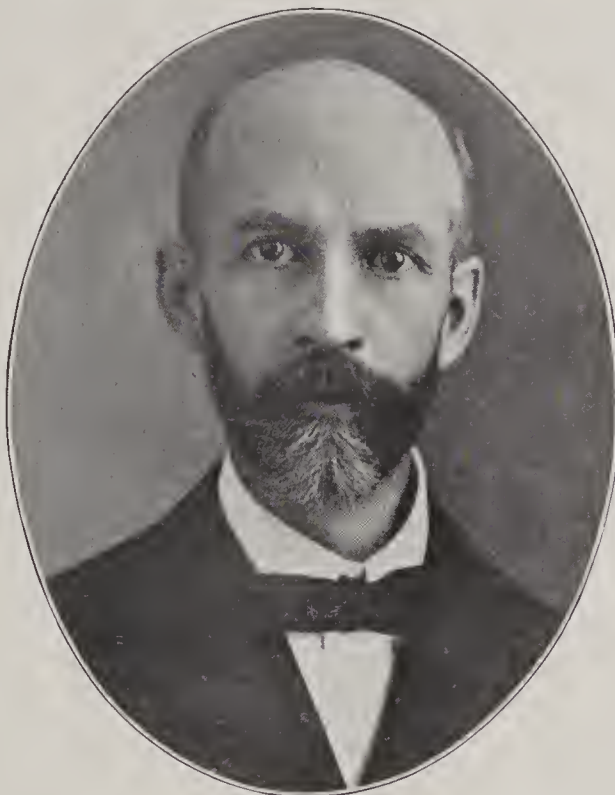
Guaranty of Deposits

To this gratifying condition, as well as to the confidence in the departments named and to the fact that our banking laws have been materially strengthened, can be largely attributed the defeat of the guaranty deposit bill introduced at the recent session of the legislature. Following the sweeping decision of the supreme court of the United States upholding similar laws of the states of Nebraska and Oklahoma, it was greatly feared that the measure would be thrust on us. It however suffered defeat.

It is clearly apparent that conservative bankers are unwilling to stand responsible for the shortcomings and mismanagement of whoever may be inclined to embark in the business. And further agitation on this question may be expected in the states concerned until a more satisfactory solution is reached.

New Legislation

Of the several bills recommended by the American Bankers Association, two were enacted into laws at the recent session of the legislature. One authorizing notaries public, who are officers or stockholders of a bank, to take acknowledgment on any instrument running to or executed by such corporation. Another authorizing the payment of deposits, made in the name of two persons, to either or the survivor. A law providing for the reg-



C. H. BARRETT
President South Dakota Bankers Association

ulation of trust companies was passed. The state banking law was amended, providing for increased fees for examinations and increasing and more clearly defining the authority of the public examiner in cases of failure.

Postal Savings

On January third, the new postal savings system was inaugurated by the federal government, by the establishment of one bank in each state in the union. While the system is declared by its friends to be highly successful, its growth during the first three months of its existence has been quite moderate and without showing any signs of the baneful effects anticipated by many bankers. The total number of accounts opened in the 48 offices during the first quarter was 4,307 and the total deposits, \$201,961, an average of about \$47.00 to each account. At the Deadwood office 27 accounts were opened in that period, with total deposits of \$1,193.00. Additional depositories have been established increasing the number to 129 and more will be added as rapidly as possible.

National Reserve Association Plan

The result of the investigation and labors of the National Monetary Commission have been made public in the informal announcement, contemplating a system of local associations of national banks, 15 district associations, all leading up to one central association or bank, to be known as The National Re-

serve Association, which is designed to be a bank of banks. The scheme has been carefully worked out, with the idea of eliminating the objections urged against a central bank, as well as removing the weak features of our present unsatisfactory system. It has been well received and the campaign of education is now on in earnest.

It is significant, that the executive council of the American Bankers Association has heartily approved the plan, after suggesting some changes, particularly that of extending the benefits to state banks and trust companies. The executive council declares: "We believe that it is thoroughly practical, fundamentally sound and comprehensive and that if enacted into law it will correct all the principal defects of our present banking and currency system."

It is hoped great interest in the question and plan will be taken by all thinking people of our country, as well as by congress and all directly concerned, and that a law will be eventually enacted that will prove to be all that is desired and so much needed.

Interstate Protective Association

Since 1908, we have been affiliated with the bankers' associations of Minnesota, Iowa, and North Dakota in the Interstate Protective Association, organized for the purpose of preventing burglaries upon our members as well as the apprehension of criminals after operating. The share of cost to this association at first was \$600.00 a year, which has increased until our share during the current year reached \$100.00 a month. This if persisted in the entire year, would have absorbed nearly one half our entire income. It became a matter of serious concern whether or not to continue our membership. Payments were kept up however until the close of 1910, when it was thought that the mantle of the far famed Dakota winter would protect us from the ravages of the yeggman.

The services rendered by this protective association have been very satisfactory. Until the latter part of May, there had been but four bank burglaries attempted in our state during the year just completed, not one of which was successful. And in each case the criminals were eventually captured and convicted. On May 26th, the Farmers Savings Bank of Tea was robbed of about \$1,400.00. The same day, three of five men believed to have been implicated, were captured by the Sioux Falls police and about one half the loss recovered.

Comparing this with the records of Kansas and Missouri we may consider ourselves extremely fortunate. In those states during the fall of 1910, burglaries were reported with startling frequency, fifteen in Kansas alone since the first of September.

In view of these facts, it would seem that we could little afford to withdraw our membership and go without protection of this kind. The service appears to be well worth its cost and should be continued.

In conclusion, I wish to thank the officers and members of the association for the many courtesies extended to me during the year and may peace and prosperity ever continue to abide with you.

CONVENTION WEEK

(Continued from page 1)

cial trains and automobile service to Clear Lake where there will be boating and a picnic lunch. Special entertainment will be provided for the ladies.

Detroit Convention

The Michigan bankers also will hold their twenty-fifth annual convention next week at Detroit and on the waters of Lake Erie. The convention will be called Tuesday morning at Hotel Pontchartrain and in the evening there will be a splendid banquet tendered by the Detroit bankers. At this banquet George M. Reynolds of Chicago and Honorable Robert W. Bonyne from Colorado and a member of the National Monetary Commission will be the speakers. Convention sessions will be held at the hotel with automobile trips about the city between times. On Wednesday evening Detroit bankers will tender the guests and visitors a ball in the dancing hall of the great Hotel Pontchartrain, and on Thursday morning the members and guests will leave by steamer for Buffalo and Niagara Falls. During this trip the steamer will stop at Livingstone Channel to view the government work at that point. The boat will arrive at Buffalo on Friday morning and pay a visit to the Falls. The leaving time has been arranged so that the visitors will make train connections out of Detroit, Saturday afternoon. Emory W. Clark of Detroit is president of the association and H. M. Brown of Detroit is secretary.

Philadelphia Convention

The Pennsylvania bankers will hold their seventeenth annual convention on Tuesday and Wednesday. Addresses of welcome will be delivered by Mayor Reyburn and by Francis B. Reeves, president of the clearing house. Wm. A. Law is president and will preside at all of the sessions. His annual address and the annual report of Secretary D. S. Kloss will occur at the first session on Tuesday. One of the features of the session will be a joint debate between teams representing A. I. B. chapters of Scranton and Pittsburgh. Among the speakers are Edward D. Page of New York, Chas. A. Snyder of Pottsville, Albert A. Jackson of Philadelphia, and A. Piatt Andrew. The visitors will be entertained by a series of smokers, vaudeville shows, and ball games. Ladies will be taken to the principal theatres and there will be a trip by steamer down the Delaware River. Jos. Wayne, Jr., of the Girard National heads the committee on arrangements and Wm. A. Law heads the committee on program, hence the perfection of these two important features of the convention.

Other Conventions

Other conventions which will be held next week are Idaho, Monday, Tuesday, and Wednesday; California at Lake Tahoe on Thursday, Friday, and Saturday; Virginia at the Hot Springs on the same dates; and Maine at Portland on Saturday and Sunday. Splendid programs have been provided for these four conventions, the important details of which already have been printed in THE CHICAGO BANKER. The fact that seven important states hold their conventions on practically the same days is another argument in favor of the secretaries' section of the American Bankers Association getting down to business and furnishing the bankers and the public a series of consecutive, non-conflicting dates.

\$200,000 BANK FOR DENVER

Washington, June 5.—The comptroller of the currency to-day received an application to convert the Federal State and Savings Bank of Denver, Col., into "The Federal National Bank of Denver," capital \$200,000.

BANKING CONDITIONS GOOD IN WASHINGTON

Spokane, June 6.—Group One, Washington, taking in Adams, Franklin, Lincoln, Pend Oreille, Spokane, Stevens and Whitman counties, was formally organized at a meeting in the assembly room of the Old National Bank in Spokane, with these executive officers: President, W. H. Martin, cashier Pioneer National, Ritzville; vice-president, W. R. Baker, cashier Bank of Colville; secretary-treasurer, B. L. Jenkins, Union Securities Company, Spokane. The executive committee was composed of R. H. Macartney, cashier Second National of Cheney, and W. D. Vincent, cashier of the Old National, Spokane.

J. Grier Long, president of the Spokane Clearing House Association, presided at the opening session, where addresses of welcome were delivered by Governor Marion E. Hay of Washington; Charles M. Fassett, commissioner of public utilities; Edwin T. Coman, president of the Exchange National and Spokane chamber of commerce, and Mr. Long.

W. H. Martin, president of the Pioneer National of Ritzville, was elected temporary chairman, and B. L. Jenkins of the Union Securities Company of Spokane was elected secretary.

Optimism was expressed in reports at the roll call of counties, as follows:

Adams county—J. F. Lansing, cashier German-American, Ritzville: "There never has been a time in the history of the county when the crops promised better in quality and quantity. Unless untoward climatic conditions intervene between now and harvest, we cannot help having better than an average crop."

Franklin county—W. H. Miller, cashier of the Connell State, Connell: "We have a wonderful growth of wheat. It is waist high to an ordinary man, who can stand and look straight down without seeing the ground. There is eight inches of moisture in the ground."

Lincoln county—Harvey G. Burns, Reardan: "We have about twice the moisture this year that we had last year. The spring and winter wheat look fine. All we want is warm weather. The cherry and peach crop around Creston will be good. In fact, it is going to be a good harvest all along the line."

Pend Oreille—R. W. Anderson, Newport: "We have the largest cement plant in the state and the largest body of standing white pine. The fire has really done us good, as it cleared

some brush lands and compelled the stumping of some timber lands. Our county is adapted for berries, orchards and intensive farming, but we depend on our timber and the reports from the Mississippi Valley markets are most encouraging."

Spokane—M. M. Cook, National Bank of Commerce, Spokane: "Locally, things are in the best condition for years and our next statement will show it. We need more production and our chamber of commerce is going after new manufacturers."

Stevens—W. R. Baker, Bank of Colville, Colville: "The abundant rains have benefited the hay crop. Our bank deposits are in excess of what they were a year ago and our loans are less. Stevens county is in a very prosperous condition."

Whitman—George C. Jewett, National Bank of Palouse, Palouse: "Nature never goes back on the Palouse country. We never had better prospects. The rains came at just the right time and the crops were ready to be rained on. Whitman county will produce a crop and it looks like a bumper. More than that, we have a bigger acreage than we ever had before and you Spokane bankers can build extensions on your vaults. We're going to send you more money."

The Boston system of handling country bank checks was explained by W. D. Vincent, cashier of the Old National Bank, Spokane, and A. F. McClaine, president of the Traders' National Bank, Spokane. Henry Vollmer of Davenport, Iowa, made a witty speech, which was the hit of the afternoon. Overdrafts and exchange also were discussed.

Charles E. McLean, cashier of the Traders' National Bank, Spokane, presided at the banquet in the Hall of the Doges, where the visitors were entertained in the evening. Besides the executive officers of the newly established group were Mayor William J. Hindley, Commissioner Fassett, Edwin T. Coman, J. Grier Long, J. P. M. Richards, president of the Spokane & Eastern Trust Company and C. W. Winter.

ADDRESS ON CREDITS BY J. J. ROUSE

When Group One, Washington, met at Spokane a trite address on Credits was delivered by Cashier Rouse, of the First National of Pullman. He said in part: "Believing that credits, like a man's legs, should have something substantial to rest upon, it is at present necessary for us to meet conditions as they exist, rather than theorize about how they should exist; and so long as we face the one-crop condition, why delude ourselves and our customer by writing a note maturing at a time when we know we will be unable to meet it. Aside from the advantage of adding interest to principal every two or three months, we see nothing to be gained, and this is more than offset by the customer's liability to contract the permanent habit of renewal, so that when you send him a notice of maturity of any obligation that you would really like to have him meet, he offers you a new note, instead of the alfalfa that satisfies a depositor; and when you drop a gentle hint that payment would be appreciated, he sails into the air with 'What's the matter with you fellows? Are you hard-up, or don't you think I am good for it?'"

ELECT OFFICERS

Officers for the ensuing year elected by the Oklahoma bankers convention at Oklahoma City, are as follows: President, T. J. Hartman of Sulphur; first vice-president, Asa E. Ramsey of Muskogee; second vice-president, G. E. Dowis of Blackwell; secretary, W. B. Harrison of Enid; and treasurer, I. H. Nakdimen of Sallisaw.

Diversified Investment

This Company suggests to careful investors the advisability of dividing their funds among bonds of various classes, in this way obtaining a well diversified investment. Investments made in this manner will possess the individual qualities of the respective classes in combination, thus making the investment well balanced. For instance, we own and offer a 5% railroad bond, a 6% short term note, a 4½% equipment bond and a 6% industrial bond, netting at present prices

An Average Yield of
Over 5.35%

We will furnish particulars of these on request.

Ask for our Circular D-124.

Guaranty Trust Company
of New York

28 Nassau Street

Capital and Surplus	-	\$23,000,000
Deposits	-	\$133,000,000

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital	-	-	\$2,000,000
Surplus and Profits			500,000
Deposits	-	-	23,000,000

WM. A. TILDEN, President
 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
 THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	.....	\$ 9,887,954.84
February 5, 1909	.....	11,617,691.24
March 29, 1910	.....	15,041,357.21
January 7, 1911	.....	16,736,997.29
March 7, 1911	.....	21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Farwell Trust Company

CHICAGO, ILLINOIS

DEALERS IN

BONDS

CORRESPONDENCE INVITED

South Dakota Convention

Sioux Falls, S. D., June 8.—The twentieth annual convention of the South Dakota Bankers Association convened in this city yesterday morning and drew an unusual attendance. The delegates met formally in the forenoon of Wednesday for the purpose of registration and preliminary organization. At the afternoon session held at the new theatre, the convention was called to order by President C. H. Barrett of Vermillion. The address of welcome was delivered by Editor C. M. Day of the Argus-Leader, and the response was by O. L. Branson. Following this came the annual address of President Barrett and the appointment of the various committees. The reports of the secretary, J. E. Platt, and of the treasurer, J. R. McKnight, were then submitted with that of the executive council by F. C. Danforth. The big event, of course, of the Wednesday session was the address by George M. Reynolds of Chicago on "Credits and Currency." In the evening of Wednesday the guests and delegates were entertained at the Majestic Theatre.

Thursday Session

This morning the delegates were treated to an automobile tour of the city and among other places visited the large packing house. In the afternoon the convention listened to an address by W. G. Edens of the Central Trust Company of Chicago. Mr. Edens devoted his time to an entertaining rehearsal of the methods employed in successfully organizing groups and state associations and in showing the benefits to be derived from them. Following Mr. Eden's talk was a general discussion of bank taxation subjects led by R. H. Warren of Sioux Falls. Next came an inimitable address by J. Adam Bede of Duluth, who has a world wide reputation as a humorous orator. This second day session concluded with the election and installation of officers.

Editor Day Welcome Visitors

Charles M. Day, editor of the Argus Leader, gave an address of welcome to the visitors, during which he said: "I am glad to greet so many bankers at a time when I am not trying to borrow any money. I am glad to say a word of welcome on behalf of Sioux Falls, because the bankers of South Dakota have done and are doing a big share of the work of building up this great state, and because it may be convenient for me in the future for purposes of identification to have my face known to so many bankers. We have a great state here, with only 600,000 people scattered over 77,000 square miles of area. If the resources of the state were known outside, as we know them here, it would not be long before our population would pass the million mark. For eleven successive years, South Dakota has produced the largest per capita of new wealth of any state in the Union, and one need only to look at the radiant fields of South Dakota on this June day to safely predict that 1911 will make the record an even dozen. A few weeks ago I stood at the bread line in New York City and saw between 500 and 600 men line up at midnight to get a stale loaf of bread. Within a few minutes' ride of that place was a private residence which rents for \$100,000 a year. As I saw the pitiful and broken line of stranded men, willing to wait until midnight,

for the poor boon of a crust of bread, I said to myself, 'Thank God, that South Dakota has no private residence which rents for \$100,000 a year, and thank God she has and needs no breadline.' Why, in all South Dakota you couldn't line up a dozen men in the line, if at the other end of it there was a Morrell ham, a bottle of beer, and a good 10-cent cigar.

"I give you a hearty welcome to the metropolis of South Dakota. I wish to express the hope that your meeting will be a great success, and that you will like us so well that you will want to come again—often and soon."

Talk on Bank Stock Taxation

R. H. Warren, a distinguished Sioux Falls attorney, spoke on the valuation of bank stocks for taxation purposes.

The matter he presented related to a local question concerning the valuation of bank stock for purposes of taxation now pending before the supreme court of that state, a case in which the several banks of Sioux Falls were (Continued on page 15)

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F. G. FARRELL & COMPANY, Bankers
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OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,446,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,127,000.00

OFFICERS

Howard W. Lewis, President

Henry B. Bartow, Cashier

John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

Deposits over - - - 24,000,000

OFFICERS

L. A. GODDARD, President

JOHN R. LINDGREN, Vice-President

HENRY A. HAUGAN, Vice-President

HENRY S. HENSCHEN, Cashier

FRANK I. PACKARD, Asst. Cashier

C. EDWARD CARLSON, Asst. Cashier

SAMUEL E. KNECHT, Secretary

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THE
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Convention at Tybee

William W. Osborne, president of Georgia bankers, reviews advances of the year and commends work done

When we review the past twelve months, making note of the many nation-wide problems that have during that period obtruded themselves upon us, imperatively demanding immediate solution; when we reflect that the solution of such great problems as reciprocity, the leveling of the tariff to a revenue basis, freeing the American public from the tyranny of gigantic industrial monopolies, the all important currency question—each and every suggestion thereto laden with momentous consequences to the country's business—are yet the incompleting tasks of our wisest men, we should be highly gratified that business has pursued the even tenor of its way and that prosperity has continued her abode with us.

We have been blessed with fair crops. They have commanded good prices. Our industrial enterprises have been forced to live frugally but not uncomfortably. The demand for a guaranteed bill of lading made by foreign bankers which last year this time threatened so seriously to impede the movement of our cotton happily has not been insisted upon. Confidence in our financial institutions, restored after the flurry of 1907, has not been shaken. So that on the whole, while we are able to chronicle no great augmentation in business; though the business man has contented himself with resting upon his oars and merely drifting with the current, yet, taking it all in all, we have had a very satisfactory year.

I have referred to the fact that our great currency problem is as yet unsolved. I feel I cannot more profitably spend the few minutes allowed me by the program than by reiterating the complaint of your last president at the tardiness of congress in giving us some constructive legislation upon this vital prob-

lem. There is most urgent need by the business world of a sound currency issued upon a scientific basis, the volume of which will increase and decrease automatically with the needs of legitimate business. Our perilous experience of 1907 is directly traceable to a failure on the part of the government to furnish such currency and to provide for its proper distribution. The prompt and proper solution of this problem is absolutely essential if the business of the country is to pursue a peaceful uninterrupted course—if we are to have a continuation of prosperity and a contented people. Why should there be longer delay? We have already taken the preliminary steps. An intelligent and exhaustive research has been made. We have all the light that the lamp of experience can shed. I may with propriety go further and say that a well considered plan for a solution of the problem has been suggested.

Whenever we arrive at a conviction based upon earnest study, it is the duty of every member of this association to give expression thereto; for, under our form of government, by agitation only and the consequent education that comes therefrom can we hope to create a public sentiment that will command the enactment of relief laws.

There is no dissenter to the proposition that three things are essential to effect proper currency reformation;

(1) A scientific basis for the issuance of currency making available as such basis all forms of wealth; instead of utilizing as we do now only the credit of the government and the credit of the issuing bank.

(2) The ability to expand or contract the volume of currency in accordance with business

needs automatically by the imposition of taxation on a sliding scale on the currency itself.

(3) A central reserve fund assuring the noteholder of redemption at his option into specie of practically unchangeable value; and assuring the isolated banking unit a reservoir from which it may replenish its reserves in times of stringency by the medium of re-discount.

The suggested plan put out by the national monetary commission embodies these three reforms. The enactment of the plan of the commission into law as it is presented and without amendment will in my judgment furnish relief and prove a great blessing to the people of this country. I am convinced the plan suggested will ultimately furnish the basis for any plan which solves the problem.

I have no longer any prejudice against a central bank. I am an open advocate of the central bank idea along the lines laid down by the suggested plan of the monetary commission; provided such central bank be not privately owned; provided such central bank is a government institution engaged in the beneficent function of furnishing currency to all our banks by means of re-discounts.

I have confessed already I did not always entertain this view. Not having made a study of the problem I labored in common with many others under a vague idea that Andrew Jackson was opposed to a great central bank. I had a blind confidence in his judgment so I also was opposed to the idea. I grew up in my error. Any student of history however, who makes the research will discover that such prevalent impression does Mr. Jackson injustice. It is true Mr. Jackson made history and imperish-

(Continued on page 28)

WILLIAM J. BURNS, President
Formerly U. S. Secret Service
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\$40,000,000.00



FAVORS THE NATIONAL RESERVE ASSOCIATION

Cashier R. P. Loomis, of the First National at Malden, speaking at the Spokane group meeting came out strongly for the National Reserve Association plan which, in a carefully prepared paper, he fully explained. In concluding, Mr. Loomis said:

No objection can be raised by the public that this is a banking scheme for concealed and excessive profits, as after the payment of expenses stockholders will receive 4 per cent. Profits above that go one half to the surplus fund until it reaches 20 per cent of the capital, one fourth to the government and one fourth to the stockholders until their share reaches 5 per cent in all, when they receive no more. After surplus reaches 20 per cent also, all profits over 5 per cent go to the government. Twenty per cent is the minimum surplus now required of national banks and most take pride in increasing theirs beyond that. The prestige of the association would certainly be increased by allowing some small portion of the excess earnings to go into surplus until it is built up to a creditable figure.

The central bank will act as government fiscal agent and depository, removing forever the danger of a political appointee making political use of the millions of government deposits in numerous localities which likely have laid wholly untouched. And then I might have got to Wenatchee and I might not, and the distinguished commission member might and he might not. But assuming that we both got there, I would have been utterly unprepared to be a good listener. Why the first banker I asked some years ago to explain to me what a re-discount was could not do it, which illustrates how many terms, phrases and references must be used in so condensed a synopsis as can be delivered in one hour, and would be largely unintelligible to a man wholly unprepared. I would then have come away with a dry taste in the mouth, like a small boy wondering how the dessert got past him and gone without his getting any. I would have

been somewhat chagrined of course and concealed it, and so would the others who went away with an equally profitless experience.

On a technical subject like this it would be exceedingly difficult to touch enough responsive chords among listeners such as I would have been, to arouse any great interest and enthusiasm. No, fellow bankers, we are not going to get strong in this faith without experiencing a good old fashioned Methodist conversion and knowing how and when we got it. If we can call a camp-meeting to meet at Wenatchee, with very little overhead preaching on this subject, and lots of testimony and experiences, from at least one man in every county in the state, telling how he got converted and what keeps him strong in the faith to-day, we will get some of the stiff necked procrastinators going, and beginning from the bottom up build up such a power of enthusiastic, intelligent sentiment on this question as never before illuminated, the united patriotic purpose of a united fraternity, and at the same time reflect the light for the feet of the electorate.

Washington—Public debt on June 1st was \$1,303,556,397, less gold reserve of \$150,000,000 and available cash balance of \$86,477,946, making net debt \$1,067,078,851 or decrease during May of \$772,044.

BOND SALE

The City Treasurer of the City of Leon, Iowa, will receive bids up to eight o'clock Monday evening, June 19, 1911, on \$25,000.00 Water Works Bonds. Said Bonds will be in denominations of \$500.00 each, to bear 4½% annual interest, to run twenty years, with optional payments after ten years.

S. G. MITCHELL, City Clerk

BIG HARRIS TRUST OFFERING

The Harris Trust and Savings Bank is offering \$10,000,000 Louisville and Nashville railroad Atlantic, Knoxville and Cincinnati 4s, dated May 1, 1905, and running fifty years, part of an authorized issue of \$50,000,000, of which \$20,245,000 are outstanding. It is stated that \$7,500,000 were subscribed for before the public offering at 93½. The bonds are a direct obligation on the main road, first mortgage on 200 miles, general mortgage on 630 miles, and subject to prior lien on 83 miles. Terminal properties are also covered.

REFORM BANKING SYSTEM

A new reform in the country's banking system planned by Comptroller Murray is outlined in the June circular of the National City Bank of New York. It is, in brief, the examination of all banks in clearing house cities under clearing house authority. Where the burden would not be too great this is to be done by an examiner employed by the clearing house. Elsewhere the national bank examiner is to make carbon copies of his report to the comptroller of the national banks, then to make independent examinations of the state banks and trust companies. Pay for this would come from the clearing houses, but would be less burdensome than by the first method.

EXTEND POSTAL SAVINGS SYSTEM

Washington—On July 1st the postal savings bank system will be extended to first class offices, or the larger cities of the country. By that date there will have been established one thousand postal savings depositories. They are now being put into operation on an average of fifty a week.

William B. McIntyre has been elected assistant cashier of the Peoples National Bank of Rock Island, Ill.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

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FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
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Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
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R. W. Houghton
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Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Some little revival of trade has been noticeable during the past week, particularly in the manufacturing lines. In the iron and steel trade considerable interest is manifested in the eastern reports that various railroads would in the near future become heavy purchasers while the manufacturers of staples claim that jobbers are commencing to send in orders long delayed and that the prospects for fall and winter trade are better than they have appeared for some time in the past.

Locally, bank clearings show a healthy increase over the same period one year ago. At the banks there is about normal demand for loans with rates steady and collections reported fair.

The bond trade continues to show the same healthy signs which have prevailed for several weeks. In Milwaukee there is a fair and steady movement of the better grade of securities and out-in-state inquiries indicate a good trade to come from that direction.

That Guaranty Bill Bugaboo

It is a case of turn about in this state between the bankers and Senator Owen, the promoter of the state guaranty bill, with the senator no longer denying the fact that his fathering of the bill is purely a political move and the bankers using every honest effort to defeat a bill which they believe can only result in harm to the entire state banking system.

Not long ago it looked as though any definite action on the bill would be postponed for at least another two years but latest reports from Madison are to the effect that the senator has

managed to slip one over on the bankers who are but poor politicians, at best. The senator, apparently abandoning hope of being able to secure the necessary vote in the senate to put his bill through has, according to authentic information, resorted to log rolling methods and is trading votes for his pet measure. Within a few days the bill in new form will be presented so that but majority vote is required to put it up to the people two years hence to decide whether or not the legislature shall pass a guaranty bill. In this form it will become a party slogan and will be extremely difficult to defeat if possible at all.

Another Fight over Depository Bill

Under the present state banking laws of Wisconsin the state banks cannot be named as depositories for postal savings funds and an effort is being made in the legislature to pass a bill known as the Crowell bill authorizing state banks to qualify as depositories of postal savings. The federal law requires state banks to put up certain securities to qualify as such depositories, which conflicts with our present state laws.

This bill is being opposed in the senate on the ground that it made the federal government a preferred creditor of a bank and would tend to lessen the security now afforded depositors of such a bank.

Banking Commissioner Increases Staff

Commissioner of Banking A. E. Kuolt has made six new appointments in his office in the way of reorganization under the provisions of

the law recently passed by the legislature providing for more bank examiners and an enlarged clerical force.

The new appointments are: Thomas Herried, Madison, examiner; R. B. Ellis, Oconto, examiner; Maurice Morrissey, Delavan, examiner; Burne Pollock, Lancaster, building and loan inspector; T. M. Wild, Milwaukee, chief clerk; Miss Jennie Nelson, Madison, clerk. Another examiner and clerk are allowed but will not be appointed at present.

Meeting of Bankers at Rice Lake

Group One of the Wisconsin Bankers Association, held its annual meeting at Rice Lake on June 7th and was well attended by bankers from that part of the state though the Milwaukee delegation was unusually small due to the annual excursion of the Merchants and Manufacturers association in progress at the same time.

The program was extremely interesting, the chief speakers being George D. Bartlett, secretary of the association who spoke upon "Recent Bank Legislation," and Hon. W. A. Scott, of the University of Wisconsin, who chose as his subject "A Central Bank for the United States." The program in full was as follows:

Address of welcome on behalf of the city, Hon. T. A. Carron, mayor of Rice Lake; address of welcome on behalf of Rice Lake bankers, Hon. Sewall A. Peterson; response, W. A. Blackburn, cashier Lumbermans State Bank of Bruce; annual address by the president of the group, A. E. Bradford, Augusta; report of secretary and treasurer, Frank Pierce, Durand.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	
JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
F. X. BODDEN, Assistant Cashier	H. J. PAINE, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch	S. H. MARSHALL
J. H. TWEEDY, Jr.	R. N. McMYNN
GUSTAV RUESS	C. C. YAWKEY

Topics for general discussion: "Should the Groups Undertake to Secure Equal Rate of Interest on Deposits and Equal Exchange Rates by Members of the Group?" (2) "Should National Banks be Allowed to Loan on Real Estate Security?" (3) "How to Ascertain Whether or not an Open Account is Profitable?"

Late in the afternoon a banquet was held in the city park followed by a delightful launch ride on the lake.

Baird Joins Wisconsin Trust Company

One of the latest additions to the splendidly organized force of the Wisconsin Trust Company is Robert W. Baird who is now associated with the bond department. Mr. Baird enjoys the reputation of being one of the foremost bond salesmen in Wisconsin and has the confidence of all with whom he has had business dealings in the past. For the five years prior to joining the Wisconsin Trust Company Mr. Baird represented the well known firm of A. B. Leach and Company in Wisconsin and is thoroughly familiar with local conditions as well as the requirements of the bond trade in this section of the country.

Edward A. Farmer Becomes Cashier

Edward A. Farmer, first assistant cashier of the German-American Bank of Milwaukee, has been appointed cashier to succeed C. F. P. Pullen, resigned. Mr. Pullen's resignation, given because of poor health, took effect on April 6th. Mr. Farmer has been acting since that time but the appointment was not made official until the final action of the board, which was unanimous. Mr. Farmer has been connected with the bank for eleven years.

Mr. Farmer's position will be filled by R. L. Stone, while L. E. Kilian was appointed second assistant cashier. Fred W. Niles was appointed manager of the Bay View branch of the bank succeeding Theobald Otjen, resigned. Fred C. Clifford was appointed assistant. W. H. Graebner, Milwaukee, and Louis Desert, Mesinee, were elected directors.

Prominent Banker Dies at Oshkosh

Joseph H. Porter, aged 85, prominent retired lumberman and banker, died recently at his home in Oshkosh after a brief illness. He was born in Maine and came to Oshkosh in 1854. For years he conducted a sawmill and went to the California goldfields in the early 50's prior to coming to Oshkosh.

Mr. Porter was a stockholder in the Wisconsin

National Bank of Milwaukee, a director in the Old National Bank of Oshkosh, president of the Berlin National Bank and a director in the Fond du Lac National Bank. He was also interested in a number of smaller banks throughout the state.

Another New Appleton Bank

Articles of incorporation for another state bank to be located in Appleton were recently filed and announcement is made that early next fall the Outagamie County Bank will open for business in that city. The capital of the new institution will be \$50,000 and actual building operations for the new home will commence within a few weeks.

Banking Notes and Personals

Franklin Raab, auditor for the Marshall and Ilsley Bank of Milwaukee, has been seriously ill at his home for the past week, but is now reported on the road to recovery and will soon resume his duties at the bank.

Gardner P. Stickney, vice-president of the Wisconsin Trust Company, who for the past week has been enticing the fish from the cool waters of northern lakes, is once more at his desk.

John H. Thomas, for twenty-three years with the Old National Bank of Oshkosh has resigned his position as discount clerk to take up work in connection with the development of a large tract of land near Elkhart Lake.

W. J. Parkes, who has been connected with the Citizens National Bank of Green Bay for the past eighteen years has resigned in order to take a much needed rest to recuperate his health. He has been assistant cashier and teller for several years.

E. A. Curtis, president of the Citizens State Bank of Fond du Lac has leased the Griffin residence in that city and will immediately move his personal effects from Sycamore, Ill., his former residence.

Commissioner of Banking, A. E. Kuolt, has approved the articles of incorporation of the Farmers Savings Bank of Palmyra with a capital of \$15,000. The incorporators are E. B. Heimstreet, W. H. Munger, R. Jones and others.

The Muscoda State Bank has completed its reorganization and the increase of \$10,000 in stock was over subscribed. The following directors were elected: John N. Swingle, O. W. Fessel, Dr. C. R. Picjering, R. B. McIntyre and A. C. V. Elston.

There will be no segregation of bank deposits in Wisconsin for at least another two years. The bill providing for this, recently introduced at Madison, has been indefinitely postponed.

The contract for the new building to be erected by the State Bank of Oshkosh, Oshkosh, has been let at a cost of about \$17,000. The structure will be of brick with stone front and will be 36x85 feet. The vault is to be built of reinforced concrete.

BANK CLEARINGS SHOW BUSINESS IS IMPROVING

Bank clearings reported for May are believed by many observers of the business situation to indicate that a distinct turn for the better has come. May was the first month during the past year to show an increase in the total clearings of all important cities of the United States as compared with the corresponding month of the previous year. Chicago's gain was 3.4 per cent and New York's 1.9 per cent, while the total for 144 cities gained 2.5 per cent. Out of the 144 cities 99 returned a heavier total than in May, 1910. The steady losses in previous months of 1911 cause an unfavorable comparison for the first five months of the year. The total for this period is 9 per cent under that of the corresponding time in 1910.

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Money to Loan on Real Estate

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MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, June 8.—St. Louis bankers report gradual, and apparently solid improvement in the demand for money. It is slow, none denies that, but by degrees the borrower is losing the position of vantage which he has enjoyed for so many months. The quotable range of interest rates has not changed this week, but more and more loans are being made toward the major end of it. Some large renewals and new business were reported by the larger nationals which will net better returns than has been the case for a long time. Chiefly the activity is noted in the country, and sharp reductions in Southwestern balances at this center have taken place since the first of the present month. Wheat cutting is general along the lower rim of the winter belt, and agricultural requirements are expected to augment from now on. The big talk put up by the interested bulls in the grain pit relative to extensive damage on account of hot, dry weather, is repudiated by the more conservative element of the trade. All concede a deterioration from the wonderful prospects two months ago, but withal there will be an enormous crop of winter wheat. The drought and heat have not wrought the havoc which the interested parties would have the public believe. The rains this week in the upper tier of the belt did good, and clear skies are just what is needed for harvesting operations. The government cotton report was much more optimistic than expected, and did much to restore confidence in the South and Southwest. Local borrowers are still borrowing extensively, but as has been the case for a long time are getting accommodations in the East. The outlook for fall trade is brighter right now than at any time since the last panic, and merchants in the big wholesale and jobbing district are making extensive preparations for meeting the demand, which they say is sure to materialize. Funds with leading banks continue plentiful, but no very vigorous campaign to augment loans is being pressed; the disposition being to hold off the present low rates, in preparation for the crop needs later on.

Postal Bank for St. Louis

Postmaster T. J. Akins has confirmed the report from Washington, D. C. that the government will establish a postal savings bank here within the next few weeks. The department says that need has been felt for such an institution in St. Louis earlier, but it was prevented establishing one because of lack of available funds. Mr. Akins says he is entirely prepared to handle the business, but thinks it probable the government will wait until the new postoffice at Eighteenth Street and Clark Avenue is completed. To illustrate the need

of such a bank Postmaster Akins says that during October and November, 1910, money orders drawn on savings banks in other countries at this office amounted to \$183,000. Nearly all this amount was sent out of the country by foreigners, who have no fear to place their money in a government savings bank. Much of this money would have been kept in this country had the federal banks been in operation. In addition to the bank designated for St. Louis, twelve other cities in Missouri will open savings banks about the same time. They are Cape Girardeau, Carrollton, Carthage, DeSoto, Hannibal, Lexington, Mexico, Moberly, Monett, St. Charles, Trenton and Bonne Terre.

Knotty Point at Issue

W. B. Sanford, cashier of the Holland Banking Company of Springfield, Mo., is technically in jail. A writ of commitment ordered by the county board of equalization, when the banker refused to answer questions regarding the balance of a depositor, was served upon him this week. By agreement Mr. Sanford will not be put in jail, owing to the warm weather, and he is released upon his personal recognizance. An application for a writ of habeas corpus will be filed in the supreme court of Missouri. Not only will the constitutionality of the sections covering the board's power be tested, but an opinion on "privileged communications" between banker and depositor will be requested. The outcome of the suit is being watched with interest by bankers throughout the state, especially in the smaller towns.

Stock Way Oversubscribed

George H. Burr and Company, bankers and brokers of St. Louis, have announced that the offering of \$1,250,000 of 7 per cent cumulative stock of the Barnhart Brothers and Spindler Company, offered to investors last week, has been oversubscribed by several hundred thousand dollars.

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is thoughtful, not mechanical.

CORRESPONDENCE INVITED

The National Stock Yards National Bank
National Stock Yards - Illinois

St. Louis-Union Receiver

The St. Louis-Union Trust Company has been appointed receiver for the real estate holdings of E. G. Lewis in University City, the holding company being known as the University Heights Realty and Development Company. The order of United States Judge D. P. Dyer also carries an injunction against any disposition of the property. The sharp advance in the market price of shares of the St. Louis Union Trust Company was the feature of the St. Louis Stock Exchange last week. The price was bid up to \$455, without bringing out any stock. The last previous sale of this stock was around \$432. Big earnings and the generally strong condition of the institution are accountable for the strength of its shares.

Testimony in Kobusch Suit

Breckinridge Jones, president of the Mississippi Valley Trust Co., in his testimony before a special commissioner in the suit for \$325,000 against the company, being brought by George J. Kobusch, stated that the sum sued for was not excessive interest, but just remuneration for extraordinary services done by the defendant in making loans to Kobusch. Mr. Jones testified that it was necessary to send officers to Philadelphia and elsewhere to investigate securities which Kobusch had put up as collateral for loans. Mr. Jones said that Kobusch had expressed himself frequently as satisfied with the service done and charge made for it, and it was only a short time before the suit was brought that he showed signs of being dissatisfied. "It is not a question of one man's word against another's," said Mr. Jones, "but we have papers which will show that the Mississippi Valley Trust Company more than earned every cent paid it, and that Mr. Kobusch got value received in services, for which he more than once in writing expressed his appreciation."

Ten Cents All That was Left

One dime, ten cents, was all that was found in a safe sent by the Farmers State Bank of Tulsa, Okla., to Plainfield, N. J. to be opened by the manufacturers who had built it. This was a disappointment as the steel receptacle was believed to contain between \$30,000 and \$40,000. A representative of the bank was present when the safe was opened to count the money and transfer it to a safe place. There are conflicting reports as to what happened to the safe. The combination would not work, and now the Oklahoma bank is trying to unravel the mystery. The dime was taken back to Tulsa.

W. B. Wells Estate Inventoried

An inventory of the estate of William B. Wells, late vice-president of the Third Nation-

The Chatham and Phenix National Bank of New York

192 BROADWAY

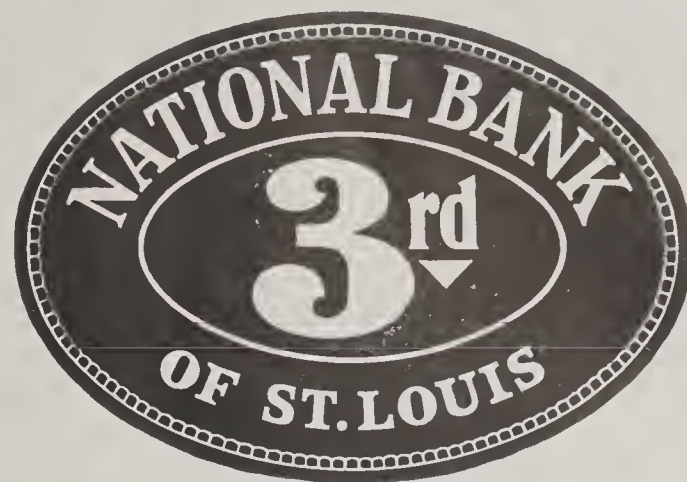
Capital and Surplus
\$3,000,000.00

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CHATHAM NATIONAL BANK, Established 1850
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Frank J. Heaney	- - -	Vice-President	Norborne P. Gatling	- - -	Assistant Cashier
William H. Strawn	- - -	Vice-President	Walter B. Boice	- - -	Assistant Cashier
Alfred M. Bull	- - -	Vice-President	Henry C. Hooley	- - -	Assistant Cashier

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG	- - -	President	T. WRIGHT	- - -	Vice-President
G. W. GALBREATH	- - -	Vice-President	R. S. HAWES	- - -	Vice-President
J. R. COOKE	- - -	Cashier	H. HALL	- - -	Assistant Cashier
D'A. P. COOKE	- - -	Assistant Cashier	E. C. STUART	- - -	Assistant Cashier

al, was filed for probate this week. It describes a personal estate of about \$300,000, one parcel of real estate in St. Louis and interest in a tract of land in McLennan county, Texas. The personality consists of stocks, \$262,420; notes, \$14,072; bonds, \$9,092; cash, \$8,623, life insurance, \$5,000 and \$300 in goods and chattels.

Want Some of Panama Bonds

Festus J. Wade, president of the Mercantile Trust Company and the Mercantile National, and D. R. Francis, of Francis Brother and Company, will submit bids to the government for part of the \$50,000,000 of 3 per cent Panama Canal bonds. The award will be made at Washington, June 17th. Mr. Wade declined to state specifically what amount of the securities he desired for his institution. "Not more than \$50,000,000," he remarked. The Francis house is organizing a syndicate, and will doubtless present the largest single bid in the West.

Missouri Financial Report

The balance in the Missouri state treasury on June 1st was \$3,670,103, which is held as follows: In treasurer's vault, \$20,493; Exchange Bank, Jefferson City, \$182,258; First National, Jefferson City, \$181,049; National Bank of Commerce, Kansas City, \$178,906; German-American Bank, St. Louis, \$298,733; and Mississippi Valley Trust, St. Louis, \$2,808,662.

Commerce Gets Automobile

The National Bank of Commerce has added a new frill in the form of a 60-horse power automobile. This bank already owns a machine, but the first purchase is in the shape of an ambulance truck, and is used to carry gold and silver to the subtreasury and other banks. The new car is for social purposes. Visiting bankers, clients of the National Bank of Commerce, will be dashed around the city and county and given "large times" when they come to St. Louis to do business. The board of directors are unanimous in the belief that an automobile properly applied is a great promoter of good feeling and country depositors.

Missouri Bank Clerks Meet

Members of the Bank Clerks' Association of Missouri held their annual meeting recently. The business feature was preceded by a dinner and social gathering. G. L. Faulhaber presided. Twenty-two members were nominated, eleven of whom will be chosen as a board of

directors to elect officers for the next year. The present officers are George M. Willing, president; Hugo Boehl, treasurer and Frank Falkenheiner, secretary. The association has 505 members. Albert Bond Lambert, of the St. Louis Aero Club, delivered his lecture on "Aviation."

Bond Market Continues Good

St. Louis brokerage houses and trust companies report a continued good market for bonds, and the volume of new listings placed within the last month has been large for this time of the year. It is announced that quite a number of financial institutions and brokerage firms will submit proposals for part of the \$50,000,000 of Panama bonds, which the government will sell on June 17th. Francis, Brother and Company are the first to announce definitely the intention of buying a considerable part of the issue. They are organizing a syndicate to bid for the securities. As the bonds are in as low as \$100 denominations, the plan is to get numerous subscribers for small amounts, so that the total bid will show up well when submitted.

Bruce D. Smith has been appointed assistant cashier and assistant secretary of the Northern Trust Company. He is a son of Byron L. Smith, president of the bank.

BANK STOCK QUOTATIONS

Among the more active Chicago bank stocks quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK	Book Value
Austin State Bank.....	300		241
Calumet National.....	150		146
Central Trust Co.....	178	181	147
Chicago City Bank.....	194	200	145
Chicago Savings.....	137	140	122
Citizens Trust.....	165		120
City National (Evanston).....	300		229
Colonial Trust.....	188	191	179
Continental & Commercial.....	280	282	169
Corn Exchange National.....	425	430	289
Drexel State.....	154	158	116
Drovers Deposit National.....	220	228	173
Drovers Trust.....	185	190	167
Englewood State.....	134	136	122
Farwell Trust Co.....	111	113	115
First National.....	421	425	272
First National (Englewood).....	280		221
Fort Dearborn.....	201	205	132
Hibernian Banking.....	231	235	169
Illinois Trust.....	490	495	280
Kaspar State Bank.....	300		190
Kenwood Trust.....	154	157	125
Lake View Trust.....	141	144	125
La Salle Street National.....		110	125
Live Stock Exchange National....	241	248	143
Merchants Loan.....	424	428	304
Metropolitan Trust.....	125	130	131
Michigan Avenue Trust.....	140	145	130
Monroe National.....	130	134	122
National Bank Republic.....	199	201	166
National City.....	200	201	124
National Produce.....	146	148	135
North Avenue State.....	144	146	135
North Side State.....	160	175	164
Northern Trust Co.....	312	316	268
Northwest State.....	123	126	112
Northwestern Trust.....	180	190	137
Oak Park Trust.....	235	245	190
Peoples Stock Yards State.....	218	225	137
Peoples Trust and Savings.....	177	179	130
Prairie State.....		250	115
Pullman Trust.....	158	164	188
Security Bank.....	210	215	169
Sheridan Trust & Savings.....	113	115	110
South Side State.....	143	146	106
South Chicago Savings.....	150	155	147
Standard Trust.....	136	138	127
State Bank of Chicago.....	374	378	228
State Bank of Evanston.....	300		237
Stockmen's Trust.....	115	119	118
Stock Yards Savings.....	212	215	177
Union Bank (Chicago).....	145	150	122
Union Trust Co.....	305		202
Washington Park National.....	175		108
Wendell State Bank.....	110		122
Western Trust.....	147	150	115
West Side Trust.....	235		165
Wilmette Ex. State.....	130	135	108
Woodlawn Trust.....	179	184	132

Eugene, Ore.—V. Lee has been elected cashier of the Merchants Bank.

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BOSTON
50 State St.

CHICAGO
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BANK STOCKS

AND

UNLISTED SECURITIES IN ALL MARKETS

We furnish current quotations appearing elsewhere in this issue. Quotation sheets and market letter sent free on request.

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FRED'K P. McGLYNN
Assistant Cashier
HENRY S. BARTOW
Assistant Cashier
HENRY P. DAVISON
Chairman Executive Com.



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Of Buchanan County

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CAPITAL \$500,000
SURPLUS 300,000
ASSETS 6,500,000

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

A trolley line from Kansas City to St. Joseph and Excelsior Springs, Mo., to be known as the Clay County & St. Joseph Railroad, probably will be started this fall. Chauncey Eldridge of Tucker, Anthony & Company, bankers of Boston, has been in Kansas City for a week to give the final word on the financial end of the line. With Philip L. Saltonstall of the same firm he went over the route of the proposed line to Excelsior Springs but refuses to announce the final plans of his concern in the premises for a week. His firm has backed a number of interurban enterprises in Ohio and Indiana but this is the first project they have contemplated this far West. It is understood that this new line is the first of several about to be projected in the Kansas City territory. It is felt that the receivership of the Metropolitan Street Railway Company of this city which was appointed by the Federal Court here last week, will have no effect on the plans contemplated. Local financiers believe the present entanglement of the Metropolitan will not injure the credit of local securities in the East.

Financial Conditions Good

State Bank Commissioner J. N. Dolley of Kansas in discussing financial conditions said: "It is, of course, early in the season to fully estimate growing crops, but it can be stated that everything that is known to date is of a character extremely favorable. Our foreign trade continues to run very heavy in our favor. Our exports in the month of April were the largest in our history and exceeded imports \$27,876,094. This means that we are accumulating vast credits abroad which our bankers can bring to this country upon demand whenever money rates advance sufficiently to allow the money to be used profitably on this side

of the water. This vast reserve assures an easy money market for a long time to come. General business conditions are undoubtedly leading to a steady expansion of business and the placing of contracts for heavy lines of material and merchandise."

Mutual Admiration Dinner

The members of the Kansas City Bankers Club were told about the recent convention of Missouri and Kansas bankers, held in that city ten days ago, by Jerome Thralls, manager of the clearing house and secretary of the club, at a dinner given at the Hotel Baltimore. The dinner was a sort of mutual admiration session for all the men who had part in the convention's entertainment. Mr. Thralls was presented with a handsome valise, apropos of nothing except that he is believed to be a good clearing house manager.

Not Afraid of Robbers

By many it is contended that various articles of feminine attire when worn afford excellent safe keeping for valuables but it remained for a Oklahoma woman to demonstrate that when a bank is in the process of being held up by robbers her skirt was quite the proper hiding place of the institution's strong box. It developed during the course of the trial of two men for robbing the Cotton Exchange Bank of Crawford, Okla., last November made the mistake of doing so when Mrs. Henry L. Goode, wife of the cashier, was present. Mr. and Mrs. Goode slept in the building occupied by the bank. Before the curtains of the bank had been raised in the morning a depositor had placed \$750 in the bank. A moment later a pair of regular dime novel robbers put in their appearance and demanded the cash in ap-

proved dime novel fashion. Mrs. Goode refused to raise her hands and smilingly told the robbers she was very comfortable and as the other men of the bank were being stood around at the behest of the visitors she kept up a running fire of pleasantries with the robbers, all the while hiding the aforementioned bank's strong box behind her skirts. After looting the cash drawer and helping themselves to such loose change as the customers present happened to have the robbers left under the raillery of Mrs. Goode, overlooking the "one best bet." One of the robbers was arrested in Canadian county, Texas, and another was run down by bloodhounds in Washita county, Okla. Mrs. Goode was the main witness for the state, the dime novel pair, Charles Koontz and R. F. Graham, being sentenced to forty years each in the penitentiary. From all of which might be drawn the moral that it pays to let the woman hide the money.

Banking Notes

The Kansas National Bank of Wichita, Kan., the oldest bank in the Arkansas Valley, last week doubled its capital stock to \$400,000. The bank was founded in 1876. Its board of directors has contained many noted men of the valley for the last forty years.

Richard W. Walsh, son of John R. Walsh, now in the Federal prison at Leavenworth, visited his father last week. He was much disappointed over the refusal of the president to pardon his father. An effort is to be made, it is reported, to present the claims of the aged banker to the attorney-general for a parole beginning next August.

Upon his refusal to divulge information concerning the cash balances of certain depositors on June 1, 1910, W. B. Sanford, cashier of

The LIVE STOCK Exchange National BANK of CHICAGO

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the Holland Banking Company of Springfield, Mo., was ordered committed to jail June 3d, for contempt of the board of equalization in that city. An order of habeas corpus prevented the carrying out of the imprisonment and the case was postponed for final hearing June 7th.

B. N. Forbes, president of the Fruit Growers State Bank of Wathena, Kan., died in that city May 30th, age 70. He was a Kansas pioneer.

Plans have been accepted for the erection of a new bank building at Temple, Tex. J. E. Ferguson, president of the Temple State Bank, announces the new site which is located across the street from United States postoffice building.

The City State Bank of Duke, Okla., has been granted a charter. It will have a capital stock of \$10,000 with these directors: P. S. Hoffman, Chandler; J. H. Burnett, Duke and John M. Hale, Oklahoma, Oklahoma City.

The Texas banking department has made public a statement showing that the total deposits of the state and national banks in Texas for the period ending March 7th, is \$162,523,708, or an average of \$41.71 per capita.

W. B. Groves, president of the Groves National Bank of Hollis, Okla., has retired from active work and Claud Prather and J. D. Pennington will be in full charge.

The Eastern Oklahoma Trust Company, a new banking institution for Okemah, Okla., is being organized with a capital of \$50,000. The board of directors will be J. J. Roland, C. N. Peters, Judge W. A. Huser and W. H. Dill.

An attempt was made by four masked men recently to rob the bank at Breckenridge, Okla., but was unsuccessful. In an effort to break into the bank building, they aroused citizens of the place who put them to flight.

W. A. SMITH DEAD

Nyack, N. Y., June 2.—William Alexander Smith, the oldest member of the New York Stock Exchange and president of that organization during the Civil War, is dead at his home here. He was born in Pottstown, Pa., in 1820, and came to New York in 1844. Mr. Smith was treasurer of the American Bible Society from 1848 to 1851. In December, 1904, he celebrated his 60th anniversary as a member of the stock exchange.

SOUTH DAKOTA CONVENTION

(Continued from page 7)

plaintiffs and Minnehaha county defendant. He did not deliver a formal address, but stated to the association for their information, and for any action they desired to take in reference thereto, the matters involved in this suit. Many members of the association were not acquainted with the purpose and present state of the litigation, although indirectly interested therein. The case arose out of the effort on the part of the state board of assessment and equalization to require bank stock to be assessed at a higher percentage of its true value than other classes of property. The talk was very interesting and Mr. Warren had an attentive audience.

The First State Bank, of Leedy, Okla., has been organized with a capital stock of \$10,000. The directors are: F. W. Crow and P. E. Crow of Elk City, E. W. Buchanan of Texmo, Okla.

Rock Island, Ill.—A. E. Lindstrom has been elected cashier of the Rock Island Savings Bank.

NEW CLEARING HOUSE DEPOSITORY READY

Practically all arrangements for the opening of the new clearing house association depository, in the Central Trust vault room, have been completed.

It will do away with the necessity of bank messengers carrying large sums of money through the streets, and clearing house certificates will be issued to them when they clear. The certificates are worthless except to the banks to which they are issued.

It is expected that in a few months approximately \$30,000,000 will be in the clearing house vaults. On Wednesday tellers from the First National and Fort Dearborn National began counting \$5,000,000, each, in currency in the vaults of the Central Trust Company, which will be deposited when counted.

ILLINOIS PRIVATE BANK INSOLVENT

Charges of collusion and hints of fraud are contained in an involuntary bankruptcy petition filed Wednesday in the United States district court by four creditors of P. F. McCarthy, a private banker at Thirty-ninth and South State streets.

The bill alleges that McCarthy has assets of \$75,000 and liabilities of \$100,000. The creditors state that he has "pretended" that his bank was recently robbed of \$40,000 and that he has permitted several creditors to get an advantage in reaching his assets by permitting them to obtain judgments and by making assignments.

Burns Busy

The serious aspect (serious for the sluggers) which the union labor war has taken on in Chicago is accounted for in part by the fact that the Architects' Association of Chicago has employed the W. J. Burns National Detective Association to run down the criminals who are preventing the erection of eighty millions of buildings by carrying on jurisdictional strife and a slugging warfare. No intention in this to rob Inspector Nicholas Hunt of his part of the glory. Burns and Hunt are big enough to work together.

Among the new postal banks recently established in the Central West are: Mena, Ark., Lindsborg, Kan., Clovis, N. M., Lawton, Okla., and Holdrege, Neb.

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Editorial Comment

HONOR TO WHOM HONOR

Tribute is being paid to the Chicago system of self-examined banks by every big city in the country. Those which have not adopted it will, or they must fall behind in public esteem and in the perfection of their system. All Chicago knows the quiet, modest gentleman who discovered the need and planned the necessity. The same banker planned and brought to perfection the useful Clearing House Section of the American Bankers Association.

It is with real pleasure that these credits are being given in the public daily press, as will be seen by the following editorial, in full, from the Chicago Record Herald of this city:

The progressive comptroller of the currency, Mr. Murray, is endeavoring to establish in all reserve cities the "Chicago system" of self-examination by the banks under the authority and rules of the respective clearing houses.

St. Louis was the first of the other central reserve cities to recognize the value of the system and to follow the example of Chicago. New York has been rather slow in adding itself to the roll of honor, but it has just done so. Of the reserve cities several have adopted the plan in the interest of safe and sound banking, and the comptroller is urging the rest to do likewise.

The Chicago idea of co-operating with re-enforcing and anticipating government examination no longer needs theoretical advocacy. That banks should be above suspicion, and that the position and methods of each are the concern of all associated in clearing houses, must be regarded as axiomatic.

To William T. Fenton, vice-president of the National Bank of the Republic of Chicago, is due the credit of suggesting a clearing house examiner to supplement the work of the national and state examinations of banks.

Every banker in the country cannot duplicate these "finds" by Mr. Fenton nor can all have his quality of modesty but all can try. Building up the figures of one's own bank isn't all there is to do. Increasing the general safety and facilities for correct banking is as much the work of a lay banker as if he were in congress. Constructive work distinguishes the real individual from the mere "cog" in the machinery of banking. Let us have more Fentons, Grants, Piersons and their like. Reforms have not all been accomplished because of what Fenton has done for clearing houses; what Grant has done for transits or what Pierson has done for bills of lading. Other names might easily be mentioned but these will serve to point the moral that there always is work to do and that, though often deferred, recognition for real services must always come.

ESCHEAT OF UNCLAIMED DEPOSITS LEGAL

The United States supreme court finally has decided that the Massachusetts law, providing that unclaimed deposits after 20 years shall be turned over to the state, is valid. Several attempts to pass such a bill in Illinois have failed

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

because those who opposed it assailed it as unconstitutional. Many good and bad bills have been put out of the running upon this same assumption. The banks fought the bill before the legislature in Massachusetts, and afterwards, in this state and United States courts. It was claimed, during the fight, that more than half the New England bank buildings had been paid for by unclaimed deposits. Only last week the United States supreme court handed down an opinion "that an unclaimed savings bank deposit was like any other property within the state which had no known legal or living owner through the abandonment or disappearance of the owner."

A banker who was quite active three or four years ago in fighting the bill then up for passage in Springfield, gives it as his opinion that it now will come up again. The law is in Illinois that when the owner of real or personal property dies intestate, leaving no heirs or representatives, his property shall escheat to the county in which it is situated. The constitutional question having been determined those who favor it can see no reason why the next general assembly should not pass a law turning over to the state or to the counties in which the banks are situated unclaimed savings deposits.

The Massachusetts law provides that in case a claimant should show up after the 20 year period, the state shall at once reimburse the bank. It is a fair question and should be decided without allowing private interests to be consulted. Unclaimed deposits are no more the property of the banks than unclaimed real estate is the property of the railroads or other corporations. Big bankers are always fair and just.

CITY COUNCIL AFTER PRIVATE BANKS

Out of patience with the Illinois legislature and with private banking as she is done in Chicago, a Chicago alderman has introduced an ordinance "to supervise, license and regulate private banks." There have been almost weekly failures among the 210 listed and innumerable unlisted private banks in the city. The totals are not large in each instance but the losses usually are "total," and come on the poor and upon those who trust in "banks."

Referring to the McCarthy and Eidman

"bank" failures, two of the most recent, and to the aldermanic movement the Chicago Evening Post says:

The truth is that it is the business of the State of Illinois to put a stop to the present lack of control over the use of the word "bank." As B. F. Harris of Champaign so vividly pointed out at the last convention of the Illinois Bankers Association, this state stands almost alone among the great banking commonwealths in its neglect of the private banks. The reason is clear. All remedial legislation has been opposed by the downstate private bankers, whose political power is easily able to prevent action at Springfield. Harsh things have been said about this opposition. But as a matter of fact it probably comes less from self-interest than from a lack of proper understanding by the country bankers about the abuses of the private bank in Chicago. Illinois, outside of the city, has about the best line of private banks that any one of the midwestern states possesses. These institutions are honorable, sound and responsive to the needs of their communities. They are satisfied to get along without state regulation, and their customers are willing to have them do without it. Therefore they are naturally disinclined to see anything of the kind get on the statute books.

Perhaps the agitation in the Chicago city council will help some. At least the city could refuse to license a pawn broker who called his joint a "bank" as 90 per cent of them do. These pawn-shop "banks" real-estate "banks," loan-shark "banks" and robber "banks" long have disgraced the city and the state. They are a menace, and if the honest private bankers were as wise as they are honest they would lead the fight for supervision and inspection, which would put an end to the crooked ones.

Private bankers have long controlled the state association and have been enabled to "kill" all remedial legislation. Perhaps this all may be changed with the adoption of a new constitution at the Springfield convention which would put a stop to private bankers, as such, controlling all committees, and from holding the executive offices alternate years—the very years the legislature is in session. The editor of the Post should read the present Illinois Bankers Association constitution and he would see that there is less of sentiment in the situation than he had supposed. Probably the city council has no power to regulate banking as such, but it can do a lot of good, by talking about it. Rascals hate publicity. Alderman Britten will be doing a public service if he puts up a stiff fight.

TRAVELED OUT TOGETHER

Geo. M. Reynolds, president Continental and Commercial National, W. G. Edens, assistant secretary Central Trust, and W. C. Foster, tax agent for the Chicago and Northwestern R. R. in the states of North and South Dakota, traveled together from Chicago to Sioux Falls, South Dakota, for the Sioux Falls convention. Mr. Foster was one of the early bank commissioners of South Dakota and enjoys a wide acquaintance among North and South Dakota bankers.

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Georgia Convention

Tybee Island, Ga., June 9.—The Georgia bankers have just concluded a two days' session of their annual convention at this place. The organization is twenty years old and the attendance is considered a record breaker for the association. President W. W. Osborne of Savannah called the convention to order at 9:30 yesterday morning, and Bishop B. J. Keily of Savannah delivered the address of welcome, to which W. H. Searoy of Cairo responded. President Osborne then delivered his annual address, which was very interesting and well received by the delegates and visitors. Treasurer E. C. Smith of Griffin, Secretary L. P. Hillyer of Macon, and J. W. Hefernan, chairman of the council, delivered their annual reports. Congressman Vreeland of New Jersey delivered his celebrated address on the work of the monetary commission, and gave in detail the benefits which the country is to derive from the organization of a national reserve association. Two other addresses by A. M. Soule, president of the State College of Agriculture, and by Benjamin F. Perry, assistant-treasurer of Georgia, concluded the morning session.

The afternoon session of Thursday was called at 4 p. m. and the program event was the annual debate of the Savannah Chapter of the American Institute of Banking. The question was whether or not state banks should be allowed the same advantages as national banks if the national reserve association plan is adopted. There was much interest in the discussion and the large audience listened patiently to the well prepared papers.

The Friday morning session had three splendid addresses, one by J. E. Dunson of La Grange, one by Fred E. Farnsworth, the

popular general secretary of the American Bankers Association of New York, and one by Professor J. Laurence Laughlin, dean of the College of Political Economy at the University of Chicago. The Savannah bankers entertained their visitors very delightfully on a boat ride down the river and at a dinner given by Mills B. Lane.

Assistant State Treasurer Speaks

Ben. F. Perry, assistant state treasurer, received quite an ovation when he spoke. He said in part:

In the fall of 1891, when the annual examination of state banks began under state supervision through the office of the state treasurer, there were only 57 chartered state banks, but the records now show more than 570. If the same ratio of increase is continued as for the first five months of this year, the number will have reached no less than 600 before January, 1912.

The great interest manifest in, and the increase of state banks, was considered of such vital importance to the upbuilding of the state and the welfare of the people, that, in 1907, the banking laws were amended in certain particulars, and the banking bureau, created in the state treasury department with the state treasurer as state bank examiner, for the better supervision of the chartered state banks and the proper administration of the laws governing them, with semiannual instead of annual examinations. Since then, however, several attempts have been made to get a bill through the legislature seeking to further amend and reform at least certain sections, suggested by the inefficiency of the present law to meet the requirements for safe, conservative banking, notwithstanding the faithful efforts of the Georgia Bankers Association and other bankers in their individual capacity, but as yet

nothing has been accomplished. Therefore, the Banking Bureau finds much of the law of force under the Code of 1895, and the several amendments thereto, still effective, although in some few instances obsolete and not applicable to present conditions. In a few instances the amended laws confuse rather than simplify, and the department is oftentimes in doubt in its construction and application. Some of its changes and amendments most desired have been called to the attention of each succeeding legislature by the present and former treasurers, and also the Georgia Bankers Association, but each year the suggestions and recommendations have been passed on to the next body of the state's guardians to likewise consign by non-action to oblivion.

How the Law Works

Notwithstanding the present imperfect and inadequate laws governing and regulating Georgia banks, the banking bureau has done excellent service in its supervision of the state banks and by reason of the soundness of the financial institutions, careful management, and their co-operation to put into effect the suggestions of the department, not a single state bank has been placed in the hands of a receiver since 1907. The same is true of national banks in Georgia. In its administration of the laws, the banking bureau has endeavored to be advisory, helpful and constructive, by rendering every assistance possible and in offering timely advice and suggestions, based on actual experience in banking and observation in the conduct of banks generally, rather than to be rigid, arbitrary and dictatorial in enforcing the statute laws. The department has found, too, that the men in charge of our state banks are honest, and, in the main, not only willing to, but gladly co-operate in all that tends to the best interests of the individual bank and the

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people. Where this is done, the department has little apprehension of trouble.

In concluding Mr. Perry made many recommendations for new banking legislation intended to bring Georgia up to modern, advanced standards such as the new law of Alabama.

ITALIAN BANKER'S VIEW OF AMERICAN BANKING

Robert E. Lang, manager of the Credito Italiano, one of the largest banks in Italy, who has returned home after a four months' tour of this country, while here spoke very highly of American banking, industry and agriculture that came within his observation during his stay in the United States. He was particularly impressed by the ceaseless activity of Americans and the huge scale upon which business was conducted here.

As to the opportunities for American finance in Italy, Mr. Lang declared that there was a limited demand for our stocks and bonds. They were not quoted on the Exchange and bankers seldom received orders for the purchase of American securities. It was difficult to introduce our stocks and bonds in Italy because all foreign securities were subject to a tax of two per cent.

"The Credito Italiano," he said, "handles a great many American cotton bills. While some of the bank's customers have suffered substantial losses through the issuance of fraudulent bills by Knight-Yancey and Steele-Miller, at the present time little interest is manifested abroad in proposed bills of lading reforms. The Italian banks were safeguarded by their customers who purchase the cotton from American shippers."

James B. McDougal, chief bank examiner for the Chicago clearing house, on his return from New York, announced his decision not to accept the offer of a similar position recently made by the New York clearing house. Mr. McDougal has special interests in Chicago which he would have to sacrifice if he went to New York.

Charles A. Spiegel, treasurer of the Germantown Saving Fund Society and a prominent business man of Germantown (Pa.), was killed on his way to a ball game. The carriage in which he was riding was struck by a trolley car.

ENORMOUS EXPENDITURE

Spokane.—More than \$17,500,000 will be expended on municipal and railroad work and building operations in Spokane during the next 12 months, and of this amount the city's share is approximately \$6,000,000. The Chicago, Milwaukee & Puget Sound, the Northern Pacific and the third division of the Oregon-Washington Railroad & Navigation companies have plans for work costing \$6,500,000 and

architects and contractors estimate that fully \$5,000,000 will be invested in new buildings this year. Municipal work in progress or confirmed amounts to \$1,721,280 to date, and, in addition, there is \$3,936,280 for bridges and buildings as follows: City hall, \$665,000; South Central high school, \$450,000; Monroe street bridge, \$450,000; Datsah bridge, \$425,000; reservoir, \$150,000; fire stations, \$40,000; isolation hospital, \$25,000. The grade separation plans in preparation by the engineering department of the Northern Pacific Railway Company involve an expenditure of \$3,750,000. It is expected this matter will be decided within the next 60 days. The Milwaukee and Harriman systems announce that about \$3,000,000 will be invested in union station and terminal facilities in and near this city.

DAVID R. FORGAN TALKS TO MILWAUKEEANS

Milwaukee bankers were much interested in the talk made by David R. Forgan, president of the National City Bank of Chicago, before the Milwaukee Credit Men's Association, recently. According to Mr. Forgan the financial and commercial interests of the country are contending with a combination of the poorest banking system in the world with the best banks in the world.

"There is no need of added precautions to protect depositors, for they are secure," he said, "but the business interests of the United States can never become powerful when the country is subject to periodic financial panics which cause our banks to suspend payment and so cripple business."

Taking up another phase of the situation, he said: "The present law of reserves is absurd. How can a bank keep a reserve fund against deposits if it is not allowed to use it? What use is twenty-five per cent of a bank's deposits in its vaults?"

The proposed national reserve commission for America he says will have the confidence of the people and the banks and avoid panics. The commission as explained by Mr. Forgan will have a financial backing of \$100,000,000. It will have its headquarters in Washington, with fifteen branches throughout the country. The directorate of the commission will consist of bankers' national government officials, and outside business men, all with equal balance of power, forty-five members in all.

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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

GROUP FIVE, ILLINOIS, AT PONTIAC

The big Corn Belt group of the Illinois bankers met at Pontiac Thursday and Friday of this week and took on all the airs of a state convention. It was a big meeting and a good program. On Thursday evening there was a reception at the Elks' club rooms and at 10 A. M. on Friday an automobile ride to the state reformatory. The business meeting was held at 11 A. M. and at one the delegates sat down to a fine luncheon at the the Phoenix Hotel. So far it was all play and no work but at 2:30 P. M. there was a big open meeting for bankers, land owners, farmers, public instructors and others interested in soil preservation and vocational education. S. A. Rathbun welcomed the guests of the city and E. D. Durham, the Aurora Borealis of Onarga, did the flowery in the way of a response. C. E. Hook, chairman of the group, made an interesting talk and B. B. Castle got off a long pent-up oration on county clearings.

At the big open meeting the chief speakers were farmers W. G. Edens of Chicago and Dr. W. E. Taylor. General discussion followed. Really Edens has been a farmer. He was about 18 and the term was 3 months. The Historical Society has the record.

GROUP SEVEN, AT SHELBYVILLE

Group Seven, Illinois, will meet at Shelbyville, next Wednesday. The speakers are August Blum, Chicago, B. F. Harris, Champaign, Wm. G. Edens, and R. L. Crampton of Chicago. Mr. Blum will talk on modern banking, Harris on vocational education and Edens will do the rest. Mayor Bivins will welcome the delegates and W. E. Turner of Taylorville will respond. W. S. Middlesworth is president and T. A. Scott, secretary.

GROUP TEN, ILLINOIS

Murphysboro, Ill., June 2.—Members of Group Ten of the Illinois Bankers Association met in this city to-day. Henry S. Henchen of the Chicago State Bank delivered the address. After the business session, the visitors were shown the industries of Murphysboro. The following officers were elected:

Members of the executive council of the state association for one year, Robert R. Ward of Benton; vice-presidents of the state association, Willard Wall of Murphysboro and T. F. McCartney of Metropolis.

Group officers: Chairman, J. S. Aisthorpe of Cairo; vice-chairman, Stewart L. Crebs of Carmi; secretary, E. B. Jackson of Marion; treasurer, D. W. Whittenberg of Vienna.

BANK EXAMINERS

Washington, June 5.—National and State bank examiners from Northern and South-eastern Ohio, West Virginia and Western Pennsylvania, meet at Pittsburgh July 10th. Papers will be read by Charles R. Dodge, Department of Banks and Banking of Ohio, on "Assets Good and Bad"; A. B. Camp, national bank examiner of Ohio, "Bonding Employees. Should This be Optional or Obligatory?" George De Camp, national bank examiner of Ohio, "Some Standards for Examination"; D. C. Hanna, national bank examiner for Ohio, "The Bank Officer, His Duties and Responsibilities."

ROCHESTER CHAPTER

The annual meeting and election of officers of the Rochester Chapter of the American Institute of Banking was held on Friday evening, May 26th, when the following officers were elected for the ensuing year: president, John Henderson of the Lincoln National; vice-president, Edward P. Vollertsen of the Fidelity Trust Company; secretary, C. F. Rothmeyer of the Lincoln National; and treasurer, William D. Niven of the Rochester Savings Bank. The executive committee is composed of Fred Nutschler of the National Bank of Commerce; D. M. Rose of the Union Trust Company; Leon Benham of the Alliance Bank; and George H. Walters of the Traders National.

The members of the Rochester Chapter feel that this section of the state is entitled to a representative on the executive council and have recommended and endorsed the candidacy of Frank Thomas of the Alliance Bank for this important office. Mr. Thomas organized this chapter, has twice served as its president and having always been very much interested in the educational work of the institute, he is peculiarly fitted for a member of the executive council to which we feel sure he will be elected when the convention meets here in September.

All the various convention committees are well organized and no efforts will be spared to make this convention the most interesting the institute has ever held. We hope that every chapter in the country will send a full delegation. Delegates coming to Rochester may feel assured of such a cordial welcome as no other city can give. Full program and other items of interest will be announced later.

WILL PAY DUTIES WITH BANK CHECK

St. Paul.—According to a recent law of Congress that after June 1st payment of customs may be made by certified check instead of by cash as has been the requirement for many years. The bank clearings of St. Paul, in common with those of every port of entry in the United States will be on the increase. The receipts at the local custom house are about \$1,250,000 a year, so that the total business flowing through the local banks ought to show up larger.

For over a quarter of a century, from time to time, this provision for facilitating the business of collecting the national resources has been under discussion, but the reasons for continuing the requirement that they be paid with money, and not many years ago with gold, have been more obvious than the reasons why business should not be incumbered with the inconvenient method of payment, so that it has, until now, been impossible to get the law adopted.

The maintenance of the customs fund by the local banks at the subtreasury has tied up about a million dollars in cash day after day, with the accompaniment of red tape in drawing duplicate checks and receipts against it and its repayment to the banks every night.

Under the new arrangement, effective on the first of June, this fund will be unnecessary, and probably a third of a billion dollars in certified checks will be added to the year's clearings of

the subtreasury. These checks will be accepted by the collectors of the ports, who will issue receipts and can release goods without delay. They will go on, in batches, to the subtreasury, where the United States treasury receipts to cover all will be issued. Next day the settlement with the banks will be made at the clearing house. It will free upward of \$2,000,000 a day to general circulation.

TRANSIT NUMBERS BEING SELECTED

The universal numerical system devised by the committee of transit managers has been accepted by the executive council of the American Bankers Association.

Arrangements have been made with the Rand-McNally Company of Chicago, says the June letter issued by the Northwestern National of Minneapolis, to assign numbers to all the banks in the country and to publish a directory containing the designation of each bank so numbered.

The general nature of the system is as follows: A prefix number is provided for each reserve city, which is used in connection with the clearing house numbers of the banks in that city. These reserve city numbers are from 1 to 49 inclusive. Other cities are designated by a progressive series of numbers based upon census returns, with a prefix for each state. The state numbers are from 50 to 99 inclusive. The reserve cities do not have the state prefix, so that the next largest city in each state may be covered by the state prefix followed by the clearing house numbers of the banks in that city. This makes it possible to use the clearing house numbers in nearly one hundred cities. The object of the system is to permit the entire preparation of transit letters upon an adding machine, eliminating the use of written descriptions altogether. It will be a great time and money saver for the banks of the country if this system meets with the approval and adoption which it undoubtedly merits.

GROUP FIVE, INDIANA

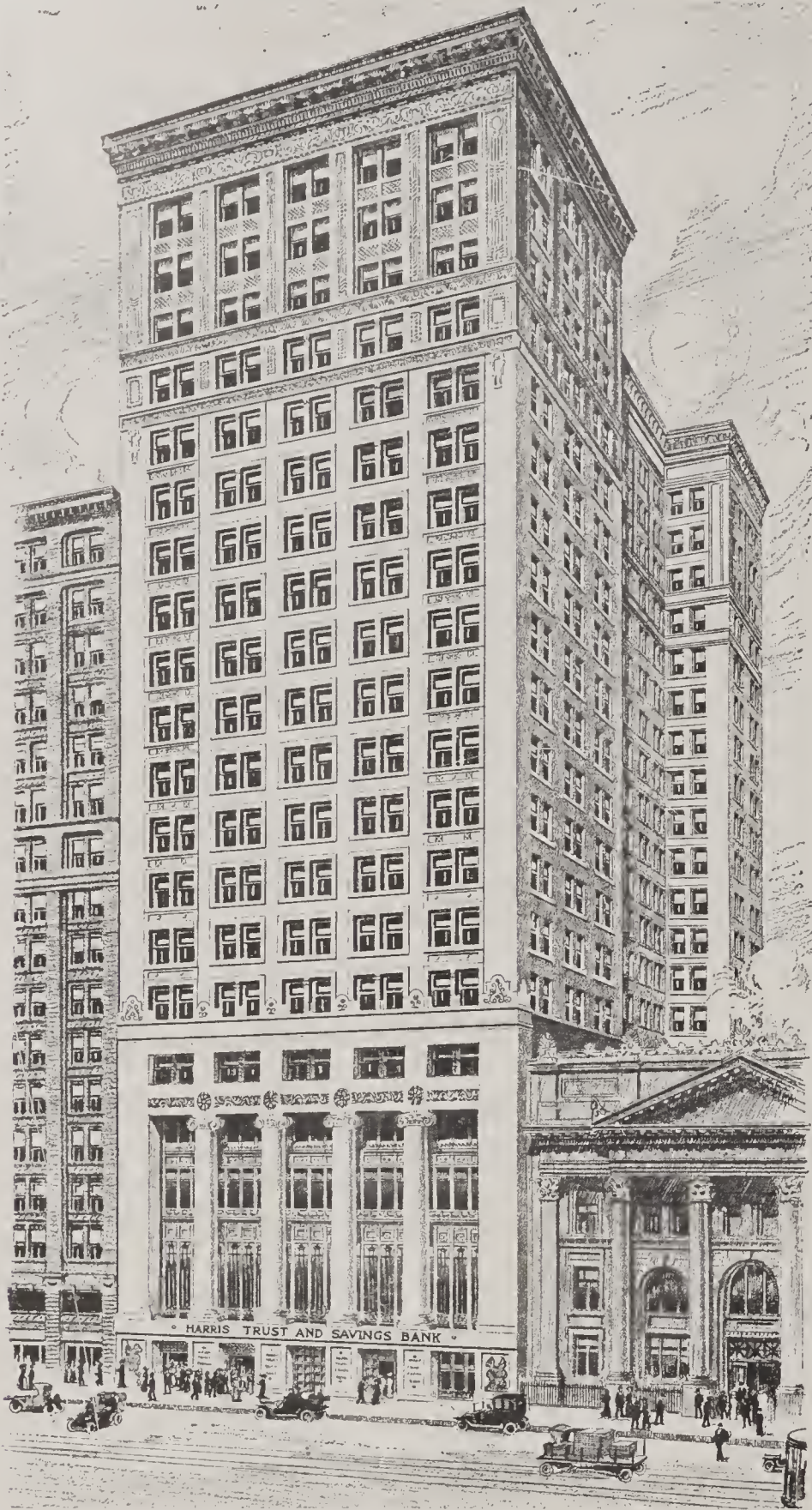
Group Five, Indiana, will meet at La Fayette, June 15th. D. D. Jacobs of that city will lead in discussing the National Reserve Association plan; Prof. Skinner of Purdue University will give a boost to the back-to-the-soil effort and C. L. Goodbar of Crawfordsville will talk on bank advertising. J. L. Randel, of Greencastle, is chairman of the group and H. F. Bucklen of Brazil, is secretary.

BURTON OPPOSES ALDRICH PLAN

Strong objection to the Aldrich central bank plan was made by Senator Theodore O. Burton, of Ohio, in a speech on currency legislation before Cincinnati bankers recently.

Burton is a member of the monetary commission which is considering the Aldrich plan. He expressed doubt as to the sufficiency of the paid up capital of \$50,000,000 of the central bank and also whether the deposits of the government and of banks which would not draw interest would afford sufficient working capital in times of panics. He disapproved the plan for taking over government bonds held by persons.

Burton also objected to the importation of a tax on circulating notes in the manner prescribed by Aldrich. He favored participation by government officials in the management of the central bank.



Special Banking Services

THIS bank makes a specialty of handling inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment or circulation purposes. During the past twenty-nine years its officers and directors selected and purchased, after careful investigations, over **one thousand million dollars** of bonds, which have been sold to a constantly growing list of conservative clients. In buying bonds of this institution the investor secures the benefit of the extensive experience and trained judgment gained through the selection of this large amount of safe investment. The special character of our business permits of liberal interest terms on inactive or reserve accounts of banks, bankers, corporations, firms and individuals.

Harris Trust and Savings Bank

ORGANIZED AS N. W. HARRIS & CO. 1882. INCORPORATED 1907

CHICAGO

Temporary quarters, Marquette Building

Permanent quarters, when completed, New Harris Trust Building

Ohio

For the first time in the history of the state a bank of which a woman is the cashier was certified as a depository of state funds by Treasurer Creamer. When the certificates of deposit were returned after the funds were awarded the one which came from the Hardin County Bank Company of Forest, Ohio, was signed by Ella N. Meyer as cashier. The incident aroused the interest of State Treasurer Creamer and he looked up the records to find that no woman's name has ever appeared in that connection before. The bank was awarded \$10,000 of state money at 3.60 per cent.

At a meeting of the board of directors of the New First National Bank of Columbus the regular semiannual dividend of 5 per cent was declared, and in addition the board declared an extra dividend of 5 per cent on the capital stock out of the earnings of the last six months, making 10 per cent in all.

The reports showed the last six months to have been the most prosperous in the history of the bank. Last year, in addition to the regular annual dividend of 10 per cent, the board declared two extra dividends of 2½ per cent each, making 15 per cent for the year. The dividends, payable to-morrow, are the twenty-eighth and twenty-ninth semiannual distributions made to stockholders, and these dividends aggregate \$654,000, which have been paid on the \$500,000 capital of the institution.

The Houston Bank of South Charleston is now at home in its new quarters and has one of the finest banking rooms in the smaller towns of the state. The bank building has been entirely remodeled and handsomely decorated. At the opening over 1,300 visitors were at the bank and inspected the new rooms, safety deposit vaults and other new banking appliances. Mr. Houston was the recipient of many messages of congratulation from financial concerns all over the country, as well as a number of handsome floral tributes.

Dr. Richard E. Jones, aged 77 years, president of the First National of Lima, one of the oldest bankers in the state, died Sunday, April 30th at his residence at Gomer, Allen county, after an illness of two weeks.

The directors of the Farmers' and Mechanics' National Bank and the First National Bank, both of Cadiz, O., have voted to merge the institutions. They are capitalized at \$50,000 each and have combined deposits of \$600,000.

The Colonial Savings Bank and Trust Company of Fremont will increase its capital from \$75,000 to \$100,000. The company has deposits of \$600,000, surplus and undivided profits of \$4,000, and was organized in 1904.

The Brighton German Bank of Cincinnati has closed a deal for property adjoining the rear of its present bank building at Harrison and Colerain avenues, and when the leases expire, in about two years, will tear down the structures just acquired and expand its banking quarters to cover the whole property. At present it is necessary to have the savings department in the basement of the present bank building. This will be located on the ground floor when the new building is erected.

For the first time in the history of the service, it is said, the deficit in the postoffice department has been entirely wiped out, and \$1,000,000 surplus for the current fiscal year, ending June 30th, next, is in the treasury to the department's credit.

The Farmers' & Mechanics' National Bank of Cadiz, Ohio, has been placed in voluntary liquidation.



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

Bonds that are high grade and remunerative are furnished to our correspondents through the Bond Department, which is devoted exclusively to the selection of investment securities. We invite banks and bankers to avail themselves of this service.

OFFICERS

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President	JOHN A. McCORMICK, Vice-President HOUSTON JONES, Cashier JOHN C. ARMSTRONG, Assistant Secretary	WILLIAM M. RICHARDS, Asst. Cashier EDWARD J. PRESCOTT, Secretary
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CAPITAL ONE MILLION DOLLARS



Trust Companies

At Group Six, Indiana bankers meeting, at Connorsville, E. B. Thomas, of Rushville, delivered a very effective address on the subject of trust companies in which he said in part:

Trust companies in Indiana are comparatively new institutions. They are not freak creations but have sprung into being and multiplied in number, either because there was a pre-existing need for them, or because their promoters and organizers saw an opportunity to utilize their functions with profit to themselves. We submit that the record of these corporations in our own state as well as elsewhere, justifies the statement that they are fitting themselves into our complicated commercial life and have become a necessity to our future industrial growth.

It is not intended that this paper shall be a defense of trust companies, for they need no defense, except their own splendid record.

The trust company supplements the bank, and whether it should be permitted to perform functions of the bank itself, is a question that has caused active and interested discussion for several years. Sufficient history has been made, and ample data is available to determine clearly the duties and functions these institutions may be permitted with safety to perform.

To-day about 1,800 trust companies, having resources aggregating five billions of wealth, are doing business in the United States. One hundred eleven of these with resources of more than seventy-eight million dollars are found in our own state. With these figures in mind it is apparent that any action, legislative or otherwise, affecting their work, if not their life, may be reflected in other financial institutions and may result in a general impairment of public confidence in all moneyed concerns.

Two departments of trust companies as they are operated under the laws of this state, should have special mention, namely the trust and savings. In my opinion such corporations can render no greater service to the state than to acquaint the public with those two departments. The advantages of a trust company as trustee are many and apparent. In such capacity it has every desirable quality that an individual has and many he can not have. The company does not die, it is invariably on hand during business hours and can be consulted at all times, its charges are light and its work efficient, it is absolutely confidential and it makes a permanent record of its acts which are available whenever required.

The reports to the auditor of state show that on March 31st of this year the trust companies of Indiana, held in savings accounts 33 million dollars, and this total indicates that the small depositor has not been slow to respond to the appeal of this department. In urging the savings department, we may render an invaluable service to the community, and

at the same time serve well the corporation we represent.

The other functions of these corporations are manifold. They act in a great variety of capacities, and in different states and communities maintain departments suited to the needs of the locality. Perhaps no department of trust company business has created more agitation, among those directly connected with the financial institutions of our state, than that department handling checking accounts. Should this practice be permitted, and if not why not? Recent experiences before our state legislature were not unlike the evidence so often given in our courts of justice, by expert witnesses. Those engaged in strictly commercial banking were united in the opinion that the practice is a dangerous one, while those representing trust companies were equally positive that the custom is altogether wholesome. This question should be regarded from at least two viewpoints, namely, that of the depositor and that of the receiving company. There

should be no confusion here. We have already stated it as our opinion that the trust department covers the greatest responsibility of a trust company, and we suggest that if the trust companies, in their management, have the ability and integrity to guard and manage successfully 25 billions of trust business, then the same integrity and ability may guarantee safety to the depositors of checking accounts. Our conclusion is that from the standpoint of the depositor and taking interest only into consideration, a checking account need not be a dangerous thing, nor will his interests be jeopardized by the maintenance of other legitimate departments.

The question presents some complications, when viewed from the standpoint of the banker. All are not agreed here. There can be no argument that if trust companies are to do a commercial business then they should be required to keep a reserve against that business. There seems to be no question but what the trust companies have been and are to-day keeping a reserve equal to that of other banks. By referring to the report of March 31st last to the state auditor, it will be seen that deposits of all kinds held by trust companies amounted to 62 million dollars, and the reserve was more than 20 per cent of that sum, and if we deduct the time and trust deposits then the reserve exceeded 27 per cent.

The reason for the statement that checking accounts may endanger the success of the other departments, or that the operation of the other departments may decrease the security of the checking accounts, is not apparent. We can not see where the banking department weakens the trust company.

Trust companies make no claim to superior intelligence or integrity in the administration of their business, but they believe they are meeting some of the needs and requirements of many communities of our state.

With this superficial review, may we not indulge the hope that the trust companies of Indiana may continue to grow in usefulness and that in conjunction with all other banking institutions we may increase in strength and favor.

MACVEAGH TO TESTIFY

Washington, D. C., June 5.—The house committee on expenditures in the treasury department decided to-day to seek from Secretary MacVeagh light on the change in the policy of the department in the classification of creosote, transferring it from the dutiable to the non-dutiable list. Mr. MacVeagh, who was absent from Washington when the committee investigated the reversal of the order of Assistant Secretary Andrew, directing the collection of a 20 per cent duty on creosote, will be asked by Representative Cox of Indiana, chairman of the committee, to testify this week.

Washington estimates average bids for new Panama bonds will run from 100½ to 103.



"The active force of the Meade County Bank of Sturgis, South Dakota. The only bank in the United States which has one and a half times as many open accounts as the town has population."

Reading from left to right: Frank Burroughs, Assistant Cashier; W. E. Ladd, Cashier; John G. Hair, Teller. In the center: H. E. Perkins, Vice-President; on his right, Roy D. Hart, Stenographer, and in front, H. M. Cooper, Assistant Cashier.

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

The Audit Company of Illinois

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C. W. KNISELY, C. P. A.
President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Joseph Chapman, Jr., vice-president of the Northwestern National, is in Portland to deliver an address June 9th before the Oregon bankers on "Agriculture and Industrial Education."

E. W. Decker

E. W. Decker, Northwestern National, has resigned directorship in the Northwestern National Life Insurance Company of Minneapolis. He will confine his activities to the bank and the Minnesota Loan & Trust Company, the affiliated organization.

Meeting of Eighth District Group

Eighth district group of Minnesota bankers met June 9th at Virginia. Dr. C. B. Lenon made the address of welcome. H. von der Weyer, cashier of the National German American, St. Paul, spoke on "National Monetary Commission Plan for Revision of the Currency System." Professor R. E. Denfield of Duluth, state president L. A. Huntoon of Moorhead and Secretary C. R. Frost of the state association were speakers. A dinner and automobile trip to the mines followed the business meeting.

Met at Hastings

Eighth district bankers, those of nine counties in Minnesota, met a week ago at Hastings. Committees which performed the routine work of the convention were as follows: Resolutions, O. W. Lundsten of Hutchinson, C. J. Sargent of Red Wing, O. J. Schumacher of South St. Paul; Nominations, H. L. Simons of Glencoe, Theodore Cook of Hastings, H. O. Dilley of Northfield; Reception, G. W. Gardner, Dr. F. H. Wellcome, Denis Follett, Theodore Cook, F. W. Finch, E. A. Whitford, all of Hastings; Program, N. B. Cedgen, John Heinen, Charles Doffing, H. P. Schoen.

Four New State Banks

Four new Minnesota state banks authorized by the superintendent of banks are: First State Bank of Henrietta, Brown county; capital \$10,000; Fred Soderberg president, P. J. Enberg

cashier. Citizens' State Bank of Barnesville, capital \$10,000; J. S. Bulland president, W. S. Lee cashier. Central State Bank of Duluth, capital \$25,000; B. M. Peyton president, B. H. Lewen cashier. Halma State Bank of Halma, capital \$10,000; R. G. Pweeton president, M. G. Pweeton cashier.

Meeting Second District Minnesota Bankers

At the ninth annual meeting of the Second district Minnesota bankers, June 7th at New Ulm, Mayor J. P. Graff gave the welcome. President J. S. Tolverson of Fulda responded. Secretary W. A. Streater of Winnebago made his report and committees were appointed. In the afternoon addresses were made by W. D.

Willard of Mankato, Judge E. H. Canfield of Luverne, superintendent of banks, Kelsey S. Chase. A tour of the city and picnic at Hermann park followed.

Evening Session

The evening session was opened with an address by J. A. Latta of Minneapolis, followed by a round table, in charge of J. Burr Ludlow of Rushmore. Topics for discussion: "Banks and Bankers; East and West," led by C. T. Tupper of Spokane, Wash.; "Why I Am not a City Banker," W. G. Malchow of Wilder, and "What Feature of the Group Program Appeals to You?" T. E. Nash of Pipestone. "Legal Question Box," was in charge of Judge Lorin Cray of Mankato, followed by reports of committees, election of officers and a banquet. A social dance closed the convention.

Bank Advertising

Craig B. Hazlewood of Chicago, before the first district bankers at Winona, June 6th, on "Bank Advertising," said that in banking the advertiser must show value and also reasons for confidence in his advertising. He recommended use of the newspapers and advised plenty of white space. He said that program and directory advertising is useless.

Another speaker was former Congressman J. A. Tawney of Winona who said again that he is out of politics. He discussed the duties of bankers and other business men.

Banking Miscellany

Bankers of the fourth judicial district in North Dakota organized June 7th and 8th at Lisbon. The organization will affiliate with the North Dakota Bankers Association. The convention was preceded by a banquet at the Bradford hotel. Arrangements were in charge of H. S. Grover of Lisbon.

The Batavian National of La Crosse, Wis., was lowest bidder for \$70,000 water and \$15,000 school bonds, which means that it bid highest or par and accrued interest at 4 per cent. Other bidders charged the city \$1,640 to \$3,230, cutting the bonds under par.

CALIFORNIA

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Chicago, Union Pacific AND North Western Line

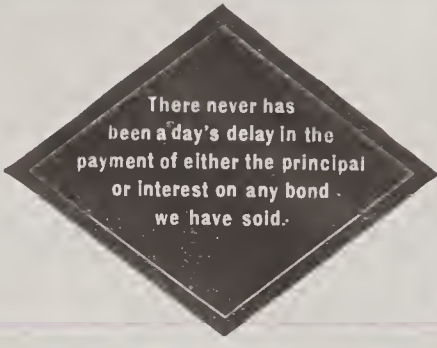
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E. L. Somerville has bought a seat in the Minneapolis Stock Exchange. He bought from A. A. Kane. The membership is limited to twenty and all seats are taken as follows: Charles E. Lewis Company, Piper, Johnson & Case, Stevens, Chapman & Company, Minnesota Loan & Trust Company, Minneapolis Trust Company, George B. Lane, Union Investment Company, Wells & Dickey Company, Walter A. Thomas Company, Fred W. Dean and H. L. McSchooler.

E. W. Decker, vice-president of the Northwestern National, is at his office again after a siege with mastoiditis. The affection has been popular and many wear the badge of the order, a strip of adhesive plaster behind the ear holding in place an antiseptic bandage.

W. H. Lee, president of the Hennepin County Savings Bank, has returned to Minneapolis after two months on Long Island. He found a better financial feeling in the East.

S. H. Bezoier of the Security National, P. J. Leeman of the First National of Minneapolis and R. E. Macgregor of the Northwestern National attended the group meetings at Winona and New Ulm, Minn.

Under the new state law state banks in cities of the first class must have \$50,000 capital. The Commercial State, the new bank of St. Paul at Seven Corners, come under this head. W. E. Dixon, J. Q. Mackintosh and J. E. Thoreen are moving spirits in the enterprise.

The Twin Cities are to have postal banks in the near future. This move is unexpected. Postmaster E. Yanish of St. Paul says:

"I think the establishment of postal savings banks is a good thing. It will not affect the business of the banks. I have no doubt that a great deal of money is being hidden away, which will be brought out by the establishment of government depositories.

"Postal savings banks, if established in the cities of Minnesota, would be patronized by a class of people that now does little or no business with the banks."

The convention committee of the Grand Forks Commercial Club has decided to ask for the convention of the North Dakota Bankers Association for 1912. The meeting this year is to be at Fargo the later part of June. The meeting was held four years ago in Grand Forks.

Secretary C. R. Frost of the Minnesota Bankers Association will be a speaker at the Iowa bankers convention June 15th and 16th at Mason City.

ALASKA'S OUTPUT OF PRECIOUS METALS

In 1880 gold was produced in Alaska to the value of \$20,000. In 1909 the amount mined was valued at more than \$20,000,000. In 1888 silver was first produced in Alaska, to the value of \$2,181; in 1909 the value was \$76,934. In 1902 copper was first produced, to the value of \$41,400; in 1909 its value reached \$536,211.

DEMAND FOR BONDS HEAVY

Washington, June 6.—The rapid increase in the number of postal savings banks has had a marked effect on the demand for the several classes of bonds which are acceptable by the federal government for the deposit with banks of postal savings funds. According to the postal authorities the demand has been felt largely in Panama, Porto Rico and Hawaiian issues. Under the regulations, United States government bonds, bonds of the District of Columbia, Porto Rico and the Philippine islands are acceptable as a security for the safety and prompt payment on demand of the postal savings deposits, at par.

The Hawaiian bonds, together with the bonds of any state, are acceptable only at 90 per cent of their market value, that market value not to be considered as exceeding par. City, town and municipal bonds, under certain

qualifications, are acceptable at 75 per cent of their market value, not exceeding par.

It is predicted at the postoffice department that this demand for bonds of the classes named will steadily increase, for it is the department's policy to extend the postal bank system just as rapidly as possible. In a short time one of these banks will be established in one of the large cities in the country and Washington has been tentatively selected, because the postoffice department will have an excellent opportunity to watch it here. If the experiment of postal banks in the large cities succeeds, then banks will quickly be opened in all the cities of the country. As a matter of fact, the department believes that it will receive its largest deposits from the banks of the large cities.

MORE TRUST COMPANIES ADMITTED

At a meeting of the Clearing House Association (New York) held June 5th the following trust companies were admitted to membership: Title Guaranty & Trust, Mercantile Trust, Lawyers' Title Insurance & Trust, Standard Trust, People's Trust Company of Brooklyn, New York Trust, Franklin Trust Company of Brooklyn and Lincoln Trust. This makes sixteen trust companies that have been fully admitted to membership in the clearing house.

Action on the other institutions which have made application for membership in the Clearing House will be taken in the near future.

A. Barton Hepburn, president of the Clearing House, stated after the meeting that the association had practically settled the question as to the man who is to head the proposed examination system, although his name would be withheld for the present. It is understood that the position will go to a New York man.

FIFTY NEW POSTALS LOCATED

Washington, D. C., June 7.—Fifty additional postal savings depositories were designated yesterday, to commence business July 3d. Among the fifty new offices are Beardstown, Duquoin, Fulton and Murphysboro, Ill.; Brazil and Vincennes, Ind.; Emmetsburg and Mount Pleasant, Iowa; Charlevoix, Holland and St. Joseph, Mich.; Cameron and Chillicothe, Mo., and Rice Lake, Wis.

CHAPTER ORGANIZED AT MOLINE

The junior bankers of Moline have organized a chapter of the A. I. B., with the following officials: President C. E. Bold (Peoples Trust); vice-president, O. T. Bohman (Moline Trust); treasurer, O. W. Swenson (State Savings), and secretary, A. E. Peterson (Moline Trust). At the opening meeting Charles W. Beihl delivered an address on "Banking." Mr. Bohman has been quite active in the movement.

Bristow, Okla., June 5.—L. D. Groom, president of the First National Bank and mayor of this town, died this morning.

Convention Dates

MASSACHUSETTS—Swamscott, June	Secretary, G. W. Hyde, Boston.
IDAHO—	June 12, 13 and 14; Secretary, L. A. Coate, Boise.
MICHIGAN—Detroit, June 12 to 17; Secretary, H. M. Brown, Detroit.	
PENNSYLVANIA—Philadelphia, June 13 and 14; Secretary, D. S. Kloss, Tyrone.	
CALIFORNIA—Lake Tahoe, June 15, 16 and 17; Secretary, R. M. Welch, San Francisco.	
IOWA—Mason City, June 15 and 16; Secretary, P. W. Hall, Des Moines.	
VIRGINIA—Hot Springs, June 15, 16 and 17; Secretary, N. P. Gatling, Lynchburg.	
MAINE—Portland, June 17 and 18; Secretary, Hascall S. Hall, Waterville.	
MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.	
MINNESOTA—Bemidji, June 21; Secretary, Charles R. Frost, Minneapolis.	
CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.	
NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.	
NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.	
NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.	
OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.	
WEST VIRGINIA—White Sulphur Springs, July 11 and 12; Secretary, J. S. Hill, Charleston.	
WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.	
NATIONAL CONVENTION—American Institute of Banking, Rochester, New York, Sept. 7, 8 and 9.	
WASHINGTON—Wenatchee, September 14, 15 and 16; Secretary, P. C. Kaufman, Tacoma.	
ILLINOIS—Springfield, October	Secretary, R. L. Crampton, Chicago.
AMERICAN BANKERS' CONVENTION—New Orleans, November 13 to 18; Headquarters, St. Charles Hotel; Secretary, Fred. E. Farnsworth, 11 Pine St., New York.	

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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\$16,000,000**

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SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, June 6.—Five per cent money again is available at several of the larger banks in Spokane, and it is predicted that the total amount of mortgage loans placed this year will eclipse all previous records. Heads of national banks report they have ample funds to handle almost any kind of commercial transaction and that more capital will be at the disposal of their customers from month to month. The rate heretofore was from 7 to 8 per cent, with occasional loans at 5½ and 6 per cent on income property in the city.

The principal causes assigned for the reduction in rates is the influx of money from insurance corporations and eastern investors, the increases in dividends from mines in the Spokane country, notably the Coeur d'Alenes in northern Idaho, and Republic camp, in northeastern Washington, the extension and improvement work on transcontinental railroads and the prospects for the largest and most profitable crops yet harvested in the Inland Empire. The banks in Spokane, and, in fact, throughout the district, have more money in their vaults to-day than ever before, and, as the outlook is encouraging, the bankers are liberal in making loans.

The mortgage department of the Spokane & Eastern Trust Company, which recently made a loan \$30,000 to D. O. Fotheringham, owner of the Omo building, for five years at 5½ per cent, probably was the first to reduce the rate to 5 per cent, and other big institutions immediately adopted a similar policy.

Scarcity of Good Income Property

Good income property in the business district of Spokane practically is off the market, according to A. R. Arbuckle. "One of the best indications," he added, "is that it is almost impossible to buy the choice properties. I have been looking for a piece of property worth anywhere from \$100,000 to \$250,000, but so far have been unable to find any owners who are ready to sell. They seem to have unbounded faith in the future of Spokane, and as a rule prefer to buy additional property rather than sell. Their properties are paying a good income, and advancing rapidly in value. While this is one of the strongest proofs of permanence and strength, it makes it more difficult to-day for an investor from other sections of the country to pick up what might be regarded as snaps in the choice portions of Spokane's business district."

Forger Arrested

F. E. Leighton, formerly of Jackson, Mich., known in Spokane as F. E. Claven, city salesman for an exchange company, was arrested here on May 31st, charged in a warrant sworn out by Charles M. Spinning, a bank cashier at Jackson, with forging a bill of lading for a car of hay, consigned to Newark, N. J., on June 24, 1910, and turning the paper in as security on a loan. L. F. Strobel, chief of the police at Jackson, says in a 1,400-word telegram to the local police department, that Leighton's peculations amount to more than \$10,000. It is de-

clared in the telegram that he disappeared from Jackson last August after flooding the district with forged bills of lading. He posed as a hay dealer in Michigan. The arrest was made by Detective Chester Edwards, who recognized the man from a photograph supplied by the Jackson police. Detective D. F. Tobin is on the way to Spokane to take the prisoner back to Jackson. It is given out he will not oppose extradition.

Banking Notes

G. W. Seal, formerly treasurer of Stevens county, has become president of the Bank of Chewelah, Wash., recently organized with a capital of \$15,000. Charles Adams is vice-president and State Senator A. W. Anderson is cashier. A modern building will be erected this summer.

Postmaster Dunn of Wallace, Idaho, has received advices that a postal savings bank will be opened there in a short time. This means that many thousands of dollars now being sent to Europe by foreign-born miners in the Coeur d'Alene mines, will remain in Wallace. The people of Wallace did not petition for this bank,

but Mr. Dunn recommended it after ascertaining the amount of money that leaves the district annually for safe keeping in foreign banks.

B. F. O'Neil, president of the State Bank of Commerce, which recently closed its doors at Wallace, Idaho, says in a private letter that the institution will pay depositors dollar for dollar. Reports from Wallace are that the bank will be reopened.

W. H. G. Phipps, accountant in the Bank of Montreal in Spokane, has been transferred to Nelson, B. C., and is succeeded here by G. A. Lafferty, formerly of Rossland, B. C.

W. D. Vincent, cashier of the Old National Bank; Thomas H. Brewer, president of the Fidelity National Bank and W. A. Clarke of the Spokane & Eastern Trust Company, will attend the Oregon State Bankers convention at Portland, June 9th and 10th, and the Idaho State Bankers convention at Boise, June 12th to 14th.

R. Insinger, manager of the Northwestern & Pacific Hypotheek Bank, has been elected president of the Spokane County Good Roads Association, succeeding F. H. Mason, who resigned because of the press of his private business.

George H. Allen of New York, educational director of the American Institute of Banking and editor of the Banking Bulletin of the American Bankers Journal, was entertained by the Spokane chapter on June 3d.

Seattle

M. B. Leary and his associates, who plan to open a bank in the secondary business district near the corner of Broadway and Thomas street, have purchased the state bank charter held by Barto & Sons. This step will make it unnecessary for Mr. Leary to finance a \$100,000 institution such as the state banking law requires in cities the size of Seattle. Barto & Sons obtained their charter before the present banking law was placed on the statute books.

Bank Stock in Demand

Since the Seattle stock exchange was organized about January 1st local bank stocks have been actively bid for on the floor of the exchange. Of late there has been more demand for stock in various local financial institutions and prices on several issues have been run up to record high levels.

The opinion of leading lawyers in Boston is that the American Tobacco decision is even much more favorable to business than the Standard Oil decision. It in fact goes a step further in the mild corrective and offers the assistance of the lower court to point out the way to a legal reorganization out of the constituent properties.

Chicago—Gary Postal Savings Bank has seventy depositors and \$2,800 deposits.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

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D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

ALL BRANCHES OF BANKING

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J. G. ORCHARD
Cashier



P. C. PETERSON
Assistant Cashier

C. E. ESTES
Assistant Cashier

LEON L. LOEHR
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F. W. THOMPSON
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H. G. P. DEANS,
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Capital, Surplus and Undivided Profits
\$9,000,000

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Accounts of Banks, Corporations, Firms, Merchants and Individuals solicited on terms consistent with

SOUND BANKING METHODS



For Colorado

Drawing-room sleeping cars, buffet-library-observation car, free reclining chair cars, mission style dining car—equipment of latest construction and electric lighted throughout. Provides barber, valet to press garments, library of current fiction, magazines, daily newspapers of cities en route, telegraphic news bulletins and stock market reports.

Leaves Chicago Daily From La Salle Station 9:30 A. M.

(On the Loop)

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(Convenient to South Side Residence District)

Arrives Colorado points next day at noon.

Only One Night En Route

For tickets, reservations, information, phone, write or call.

City Ticket Office
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Rock Island

San Francisco

George E. Allen of New York, director of the educational department of the American Institute of Banking, at present on a tour of the West, expects to be in San Francisco about the middle of June and will be given a reception there by the San Francisco Chapter.

A case of considerable interest to bankers was decided here by the United States Circuit Court of Appeals, in which the drawer of a check is forced to make good to the bank that cashed it. The case was on appeal from Portland, Ore., the United States District Court at that place having decided in favor of the bank that cashed the check. The record shows that the Amalgamated Sugar Company drew a check on its banker at Ogden for \$4,000 and cashed it at the Portland bank. When presented for payment at the Farmers and Traders' National at Ogden, Utah, payment was refused on the ground that the drawer of the check had ordered payment stopped. Thereupon the Portland bank instituted an action against the drawer and recovered judgment for the full amount of the check, plus interest and costs.

The case was complicated by the fact that a few days after the Ogden bank had refused to honor the check that bank went into insolvency.

The United States Circuit Court of Appeals affirmed the judgment of the lower court. In the course of the opinion it was remarked that some one other than the innocent payer must stand the loss, and the sugar company was selected as the victim, because it was through its own act that the Ogden bank, while still able to pay the check, refused to do so.

Michael Korlath, formerly president and manager of a bank at Windsor and Scalp Level, Pa., was arrested here May 29th on a charge of embezzlement. The arrest was made on information that Korlath embezzled \$20,000 from the bank he conducted.

Korlath denied that he had been guilty of appropriating the funds of the bank.

FORT SUTTER NATIONAL

At the recent election of officers of the Fort Sutter National Bank of Sacramento the following were elected: A. L. Darrow, president, in place of G. J. Bryte; W. O. Bowers, first vice-president, in place of A. L. Darrow; L. P. Dodson, second vice-president, in place of E. L. Southworth; J. Azevedo, cashier, in place of H. W. Conger, and F. J. Allen, assistant cashier, in place of J. Azevedo.

GREENEBAUMS ORGANIZE AS TRUST COMPANY

The state auditor of Illinois has granted to James E., Henry E., and Moses E. Greenebaum a permit to organize the Greenebaum Trust Company of Chicago, capital \$1,500,000, to take over the business of Greenebaum Sons, private bankers. A member of the present firm says organization will be completed during the month and the institution will begin operating under the state charter early in July. There will be no public offering of the stock.

CONTRACTOR FOR
Bank and Office
Fixtures,
Vault Doors,
Safes, Safety Boxes,
Steel Omnibuses
and Filing
Equipment



1414 HARTFORD BUILDING

CONTRACTOR FOR
Partitions, Desks
Tables, Chairs
Art Glass Windows
Metal Ceilings
Marble, Mosaic
Rubber and Cork
Floors, Counters

CHICAGO

Indiana

G. T. Vail, president of the Michigan City Trust and Savings Company was elected secretary of Group Two, Indiana Bankers Association, which held its annual session at the Oliver Hotel. W. C. Belman of Hammond was elected president and the executive board consists of A. A. Sauseman, Crown Point; William Kinney, Valparaiso; S. S. Hupp, Laporte, M. A. Bilps, Winamac, and L. M. Simpson, Elkhart, Charles L. Zigler, South Bend, was elected a delegate to the state convention.

In order to meet the requirements of its steadily growing business the German-American Trust Company of Indianapolis has announced to its stockholders the payment in full of its capital stock out of surplus and earnings by a stock dividend of 100 per cent, which, besides a regular annual dividend of 6 per cent, has been accumulated, during the last five years of the company's existence.

The company was originally capitalized at \$400,000. The stock was fully subscribed and one-half of it was paid up. The stockholders, in accepting the 100 per cent stock dividend, are turning it over to pay up the unpaid half of the original capital stock of \$400,000.

The officers of the company are: Albert E. Betzger, president; G. A. Schmill, first vice-president; H. C. Atkins, second vice-president; Armin Bohn, third vice-president and treasurer; W. J. Kasbery, secretary; and J. Clyde Hoffman, probate officer.

No vice-president has been elected in place of Wm. A. Hughes, deceased, of the Fletcher National Bank of Indianapolis.

Gaines H. Bass has been appointed cashier of the Lynnville National Bank, in place of J. F. Rickrich.

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
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PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for week beginning Wednesday, May 24, 1911, and ending Tuesday, May 30, 1911, both inclusive:

California—Ocean Park, Merchants Commercial & Savings Bank.

Florida—Jacksonville, C. L. Bagwell & Company.

Kansas—Burlington, Farmers National Bank.

Louisiana—New Orleans, New Hibernia National Bank.

Minnesota—Rushmore, Rushmore State Bank.

Des Moines, June 8.—The official program for the state convention of the Iowa Bankers Association was issued this week by Secretary Hall of the I. B. A. The program is the same as published in THE CHICAGO BANKER last week except that the name of Prof. Cyril Hopkins of the University of Illinois has been added to the program for Friday forenoon. Prof. Hopkins will speak on the subject "Iowa's Greatest Bank—Her Soil." Senator Kenyon was forced to decline the invitation extended to him because of engagements at Washington. Arrangements for the big meeting are progressing finely and there seems no room to doubt that the convention will be a success in every way. Des Moines bankers will be there strong.

Des Moines Banks Prosperous

The call issued by Auditor Bleakly for the business as shown on May 29th found Des Moines institutions prosperous. Reports to the auditor indicate that practically every state and savings banks in the city made a splendid gain as contrasted with the deposits shown at the date of the preceding call, February 8th. The People's Savings shows a gain of \$168,807.34, which is the largest reported by any of the city institutions. It is thought that the reports from all over the state will show good increases as the crop prospects are first class and a general air of prosperity pervades the state.

Strange Receptacles for Deposits

Two instances of using strange places for depositories were reported in Iowa last week. At Stanhope, an implement man was surprised to find \$800 in currency hidden in a gasoline engine which he had started to clean out. Five hundred dollars were in the cylinder head. Heirs of John Keelen of West Liberty, after his death, discovered \$1,500 hidden away in boxes and tin cans scattered about the house.

Neat Piece of Bunco Work

Two men, believed to be smooth forgers, have been arrested in Missouri where they were working a neat bunco game similar to the scheme by which they defrauded a customer of the Malvern National at Malvern, Iowa, out of \$500. The pair approached the customer of the bank with a book. They told him they were preparing to buy some Dakota land that he owned. He was asked to sign his name in the book so that they might use the signature in investigating the land. Of course, the customer signed his name. Later on the signature was found to be on a check on the Malvern National and it was cashed at Sioux City. It appears that the two gentlemen have a book with double pages so that the signer was not aware of what he was signing but supposed he was putting his name on a blank page. The Malvern man who was thus defrauded was quite old.

Not Harbors for Yeggs

Sioux City police officers are somewhat offended at a statement made by William B. Hughes who told the Nebraska bankers that Sioux City and Omaha are harbors for yeggs. Chief of Police Richards at Sioux City was highly indignant at the charge. He asserted that the statement might have applied two years ago. He said that the best evidence that there are few yeggmen in Sioux City is that

there are few Pinkertons there looking for them.

Charles Shuler

Charles Shuler has been elected president of the Iowa National at Davenport succeeding Julius Burmeister whose resignation was announced a fortnight ago. Mr. Shuler has been a director of the institution since 1907. He is a leading Davenport business man and was formerly largely interested in Iowa and Illinois coal interests. It is understood that he has now sold this property in Illinois.

More Postal Savings Banks

Iowa will soon be overrun with postal savings banks at the rate they are being established. Within the past week, the post office department announces new institutions at Sheldon, Oelwein, Spencer and Oskaloosa. In the meantime the bank at Decorah continues to attract little attention. That at Centerville is doing better but could hardly be called a "howling success."

Bank in Hands of Receiver

The Security Bank at Wesley, Iowa, a private institution, has been turned over to a receiver and has closed its doors. The institution has been putting its money into North Dakota lands. It has not been able to turn its holdings and to protect its depositors. The owners of the bank say they will be able to realize at least 75 cents on the dollar for its creditors. George B. Hall was president of the institution which was founded in 1893. Louis H. Rasmussen was cashier. On January 1st, the institution was capitalized for \$25,000 with surplus \$2,300, deposits \$162,000 and resources \$189,000.

Last Group Meeting

The last group meeting has been held for this year. As a rule they have been better attended this year than ever before. The programs have also been good. The trend of discussion at the various sessions indicates that the Iowa bankers are in favor of the plans of the monetary commission and will so go on record when the state convention is held at Mason City.

Banking Notes

The state treasury realized \$3,034.76 as interest on the state funds from the banks of Des Moines during the month of May. The largest amount ever received before for a single month was \$1,500.

The State Bank of Ellsworth has renewed its articles and will continue for twenty years more.

The Albia State has filed articles of incorporation with the secretary of state. The capital stock is \$25,000. The president is Palmer Trimble, vice-president, Joseph Strasburger, cashier, D. W. Bates.

Most of the banks of Des Moines ended their fiscal year May 31st. In practically every instance an 8 per cent dividend was declared. Much was added to the surplus.

Roger Leavitt, of the Cedar Falls National one of the best known bankers in Iowa, is recovering from a protracted illness. He will take a trip to the Northwest accompanied by President H. S. Gilkey.

The Union Savings at Davenport announces a meeting on June 26th at which a vote will

be taken upon the increase of the capital stock from \$100,000 to \$150,000. It is regarded as probable that the action will be taken to meet the growing demands of the institution.

The Woodbine Savings has filed renewal of its incorporation articles. The capital stock is \$30,000.

Aubrey Reynolds, teller in the Iowa National Bank, had a narrow escape from injury when his automobile collided with that of John Kavanaugh. Both machines were damaged.

Word has reached Des Moines of the merger of the People's Savings at Titonka with the First National. Details are lacking here.

The inventory of the estate of the late James Watt, president of the German Savings Bank of Des Moines, has been filed. It shows that the deceased owned 260 shares of stock in the German Savings, 12 shares in the Farmers Savings at Carlisle, Iowa; 10 shares in the Norwalk Savings at Norwalk, Iowa; one-fifth interest in the Bevington Bank at Bevington. These holdings were in addition to numerous business holdings and several valuable horses.

The Farmers Savings of Bernard has filed articles. The capital stock is \$10,000. The incorporators are W. R. Fleming, R. E. Curoe, David Donavan, Joseph Pfah, N. J. Nolan, D. C. Shields.

The Lake Park State has filed articles. The capital stock is \$35,000. Incorporators include August Sindt, J. Denkmann, G. W. Webster, F. W. Schollerman and A. C. Robertson.

The First National at Davenport has been granted a cancellation of the taxes assessed against it by County Attorney Vollmer. The Iowa National also is affected by the decision which is based upon a decision of the state supreme court relative to a technicality in the law.

The People's Savings has been organized at Grundy Center. The capital stock is \$50,000. E. A. Cray is president, L. B. De Seelhorst is vice-president, R. E. Lynn is cashier. A new building will be constructed for the institution.

The Louisa County Savings at Columbus Junction has filed articles. The capital stock is \$30,000. F. G. Coffin is president, G. A. Carpenter is vice-president, E. R. Lacey, cashier.

A new bank is to be organized at Ferguson. George W. Curtis of Redfield is back of the project. The institution is to be capitalized at \$10,000 and is practically ready to open for business.

F. D. Richards, cashier of the First National of McGregor, has been named as assignee by the Western Creamery Co. of that city which has been doing an extensive business in North-eastern Iowa, southern Minnesota and western Wisconsin.

NEW I. B. A. MEMBER BANKS

Following is a list of members joining the Illinois Bankers Association during May:

Bank of Rosiclare.....Rosiclare
Bank of Oconee.....Oconee
City Bank House.....Tamaroa
State Bank of Fieldon.....Fieldon
Farmers Commercial Bank.....Fordyce
State Bank of Toulon.....Toulon
Alexander Pate.....Wellington
Farmers Bank.....Troy Grove
Carterville Hurst Bkg. Co.....Hurst
State Bank of Sidney.....Sidney
Golden State Bank.....Golden
Bank of Payson.....Payson
State Bank of Plainville.....Plainville
First National Bank.....West Salem
D. A. Wyckoff & Co.....Upper Alton

The New Numerical Transit System was approved by the American Bankers Association Executive Council, May 3rd.



THE entire force of 338 Burroughs men will demonstrate this system during the summer, beginning June 20th, when the new Official Numerical - Alphabetical Directory of Banks will be issued.

We want to show you how the system works. It is bound soon to be the universal transit system of American banks. We want to show you how the new

BURROUGHS TRANSIT MACHINE

cuts down the work of writing remittance letters at least one-third—and how the *same* machine handles every other kind of figure work in a bank, saving at least one-third the time and assuring infallible accuracy.

May we explain the new system? May we show you the new Transit Machine? Neither will in any way cause you expense or the slightest obligation.

We are now arranging the salesmen's itinerary for demonstrations. Requests will come fast. Your prompt request will secure an early date for demonstration. Write today.

BURROUGHS ADDING MACHINE COMPANY
65 BURROUGHS BLOCK, DETROIT, MICHIGAN



Form 1304-A

Roster No. 2326

STRENGTHEN BANKING LAW

Subject only to appeal to a board of state officers, the state superintendent of banks is given power to prevent the starting of new banks in Ohio by the Kennedy bill, which is now a law. If satisfied that the character and fitness of the stockholders are not such as to command the confidence of the community or that public convenience and advantage will not be promoted, he will refuse to grant the stockholders a certificate. They may appeal to the governor, attorney-general and bank superintendent, whose decision it to be final.

The superintendent's control of state banks is tightened. The bank must obtain his approval of the reserve depository and he may compel the marking down on the bank's books of the value of securities in which capital, surplus and deposits are invested. He may exchange information as to condition of banks with the United States comptroller of the currency and banking department of other states. Ten per cent of capital stock must be paid in before organizing and 50 per cent on each share, not in the aggregate as at the present, before beginning business.

CHICAGO STOCK EXCHANGE ELECTS TOWNSEND

On Monday the members of the Chicago Stock Exchange cast their ballots for the unopposed ticket of new officers, and James J. Townsend of J. J. Townsend and Company was selected president for the coming year. Edwin G. Foreman of Foreman Brothers was elected treasurer. R. W. McKinnon was elected to the two year term on the governing committee, filling the vacancy caused by the resignation of Frank R. McMullin. The following were elected to three year terms:

Allan M. Clement, Henry C. Hackney, Hugh McB. Johnston, Charles G. King, Sigmund Liebenstein, David A. Noyes.

Nominating committee (to serve one year)—Tracy L. Turner, chairman; Frederick C. Aldrich, Charles D. Townsend, A. J. White, Henry Wise.

The governing committee will meet to-morrow for the filling out of the other committee places.

The depository stock of the Chicago elevated roads was admitted to the unlisted department.

CONVENTION AT TYBEE

(Continued from page 8)

able fame by his unrelenting warfare against the re-charter of the Second Bank of the United States but I cannot find by diligent search that he ever gave utterance to any expression which can be construed as opposition to a plan whereby the government itself assumed the duty of issuing and distributing currency to its people, thereby facilitating the transfer from citizen to citizen of the product of farm and factory.

In Mr. Jackson's veto message of July 10, 1832, he makes it plain that his antagonism to re-chartering the Bank of the United States was because of the fact that that institution was a privately owned corporation enjoying—as he says—"an exclusive privilege of banking under the authority of the government and a monopoly of its favor and support and as a necessary consequence almost a monopoly of foreign and domestic exchange."

In his paper read to the cabinet on September 18, 1833, being his reasons justifying the removal of public deposits from the Bank of the United States, he makes it plain that his entire opposition to re-chartering the Second Bank of the United States was based upon the fact that the bank was a privately owned institution to which congress for an insignificant bonus had unwisely granted a monopoly of banking privileges and a monopoly of the issuance of authorized national currency.

In his first annual message delivered December 8, 1829, to be found in the Messages of the Presidents, vol. 2, page 462, Mr. Jackson uses this language:

"The charter of the Bank of the United States expires in 1836, and its stockholders will most probably apply for a renewal of their privileges. In order to avoid the evils resulting from precipitancy in a measure involving

such important principles and such deep pecuniary interests, I feel that I cannot, in justice to the parties interested, too soon present it to the deliberate consideration of the legislature and the people. Both the constitutionality and the expediency of the law creating this bank are well questioned by a large portion of our fellow-citizens, and it must be admitted by all that it has failed in the great end of establishing a uniform and sound currency.

"Under the circumstances, if such an institution is deemed essential to the fiscal operations of the government, I submit to the wisdom of the legislature whether a national one, founded upon the credit of the government and its revenues, might not be devised which would avoid all constitutional difficulties and at the same time secure all the advantages to the government and country that were expected to result from the present bank."

Again in his annual message of the following year delivered December 6, 1830, found in the Messages of the Presidents, vol. 2, page 529, Mr. Jackson uses this language:

"The importance of the principles involved in the inquiry whether it will be proper to re-charter the Bank of the United States requires that I should again call the attention of congress to the subject. Nothing has occurred to lessen in any degree the dangers which many of our citizens apprehend from that institution as at present organized. In the spirit of improvement and compromise which distinguishes our country and its institutions it becomes us to inquire whether it be not possible to secure the advantages afforded by the present bank through the agency of a bank of the United States so modified in its principles and structure as to obviate constitutional and other objections.

"It is thought practicable to organize such a

bank with the necessary officers as a branch of the treasury department, based on the public and individual deposits, without power to make loans or purchase property, which shall remit the funds of the government, and the expense of which may be paid, if thought advisable, by allowing its officers to sell bills of exchange to private individuals at a moderate premium. Not being a corporate body, having no stockholders, debtors, or property, and but few officers, it would not be obnoxious to the constitutional objections which are urged against the present bank; and having no means to operate on the hopes, fears, or interests of large masses of the community, it would be shorn of the influence which makes the bank formidable."

We will thus see that a central bank owned and operated by the people of the United States is Mr. Jackson's idea of the solution of the currency problem. A privately owned bank having a monopoly of creating and distributing national currency was in Mr. Jackson's mind a surrender of governmental functions not to be tolerated.

Those who oppose the idea of a central bank are dominated by the fear that the management of such an institution will ultimately fall in the hands of a few, who will use it corruptly for their own aggrandizement to the detriment of the people. These fears may be realized in any privately owned central bank monopoly. Such unhappy condition is less probable in a central institution owned and operated by the people in the same manner as other branches of government. In the latter instance, if corruption invade the management of the bank the chosen representatives of the people can remedy the wrong by summary dismissals. Such domination adverse to the people's interest can remain permanent only when



ABOVE is a view of the vast train shed at the new C. & N.-W. \$25,000,000 Chicago terminal station. It occupies the second floor, and spreads over many city blocks, the streets and alleys being vaulted over. No other view shows the size and capacity of the new station like the above. The main building is a four-story structure of the early Italian Renaissance style of architecture, with a lofty Doric portico at the Madison Street entrance, supported on a colonnade of six granite columns, each seven feet in diameter at the base and 61 feet high. Immediately back of this colonnade, entered by three great arches, is a vaulted vestibule, 132 feet wide, 22 feet deep and 40 feet high. At each end of this vestibule are broad granite stairways to the main waiting room on the track level floor. Similar vestibules of simpler architectural treatment give entrance from Canal and Clinton Streets. These vestibules lead directly to a large public space, 200 feet by 92 feet, around which are arranged in the most convenient manner, the ticket office, baggage room, lunch room, news stand, telegraph offices, parcel check room, etc. From the center of this public space the grand stairway leads to the concourse of the main waiting room on the track floor. The main waiting room, which is the principal architectural feature of the station, is treated as a great Roman atrium, with a barrel vault roof. The pilasters and entire order up to the spring of the vault are a dull finished light-pink Tennessee marble. The columns standing free are of Greek Cippolino marble, whose delicate green hue harmonizes perfectly with the greenish bronze of the metal work framing the glass between the pilasters. The vault is of ornamental tile construction with richly ornamented ribs of terra-cotta of a color to harmonize with the marble of the walls. This great waiting room is directly lighted by two semi-elliptical windows, 60 feet in diameter, at either end of the vault and ten semi-circular lunettes piercing the vault five feet on each side. It is also arranged to be lighted artificially by reflected light. Arranged conveniently around this main waiting room are the dining room, women's room, smoking room, barber shop, etc. The exterior walls of the building are of gray Maine granite and are continuous with the enclosing walls of the train shed, which are of mottled gray brick, with granite trimmings. The train shed walls rise to a height slightly greater than the roof of the train shed, which gives the entire station the external appearance of one mammoth building.

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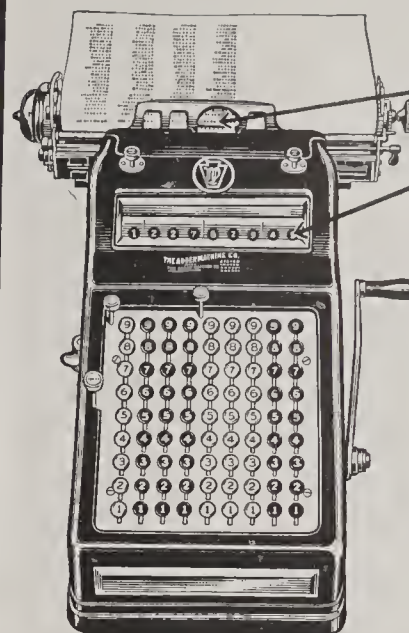
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WALE'S Visible

Adding
and Listing
Machine



THE WALE'S is the one machine that combines exclusive features of convenient operation with mechanical perfection of construction.

Some of these features are the Self-Correcting Keyboard—that corrects automatically when the right key is pressed—and the Non-add key that adds without printing.

It is the only machine that is perfectly visible at every operation, showing totals and printing, in the same field of vision.

A glance gives you the number as it prints and the total up to that point. In construction the WALE'S is superior to all others.

5-Year Guarantee

The WALE'S is the only adding machine with a 5-year guarantee. Why buy an adding machine with a 1-year guarantee when the WALE'S gives you five times more protection? Ask about our 30-day free trial. Mail the coupon for descriptive literature.

An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALE'S against "trust" acquisition.

The Adder Machine Company
WILKES-BARRE, PA.

SAXE & HOGLE, Dist. Mgrs.

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Machine
Company
Wilkes-Barre, Pa.

Please send me booklet describing in detail the construction and features of the WALE'S Visible.

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the great body of the people themselves are corrupt. Such condition would mean anarchy and politically speaking the end of all things. Beyond a universal cataclysm no man, be he ever so wise, ever undertakes to provide. To trust the people to see to the proper performance of every necessary governmental function is both Jeffersonian and Jacksonian in principle.

HUGE COTTON CROP

Thirty-five million acres under cotton is a powerful augury for the 1911 crop. No such acreage was ever before planted—the figure is 1,634,000 acres better than the high record of 1906. Not only so, but the condition has started off most encouragingly. The government gives it as 87.8 per cent, a figure only once exceeded at this season. The Cotton Exchange did not become demonstrative over the report, as it had pitched its expectations very high. The stock market, however, accepted the statement as calculated to strengthen the purpose of those who are planning a bull campaign.

Nearly one billion dollars in new securities have been issued in the United States during the current year, an increase of \$75,000,000 over last year. The railroad output reached the huge figure of \$719,000,000, as contrasted with only \$564,700,000 during the first five months of 1910. The industrial total of \$273,000,000 shows a decrease of \$79,000,000.

The Farmers' State of Delhi, Minn. has been licensed to do business with \$10,000 capital. A. O. Gimmetad is president and A. R. Pierson is cashier.

Pittsburgh

At a meeting of the stockholders of the People's Trust Company, Southside, recently, the following directors were elected: Wm. Ruske, John Seiferth, Peter J. Keeling, Gustav Wilde, Joseph F. Ploeger, A. H. Sunshine, Simon Bornscheuer, Wm. Henning and Alois Winter, Mr. Seiferth being a new member. Harry F. Elgenn was elected secretary of the board.

Pittsburgh Banks Take Bonds

It was reported this week that three Pittsburgh banking institutions had joined in the underwriting of the \$10,000,000 Jones & Laughlin Steel Co. bonds, sold to the First Trust and Savings Bank of Chicago. The Pittsburgh Trust Co. bought \$700,000, the Safe Deposit and Trust Company \$500,000 and the Keystone National \$200,000, making \$1,400,000 taken by Pittsburgh. It is said the original syndicate paid 99½ for the bonds, is selling them to institutions at 100½ and is holding them for investors at 102½, which price will be maintained for three months, it is stated.

President William Price of the Diamond National Bank and the Diamond Savings Bank and one of the best known of the true self-made men of Pittsburgh was honored this week by Gov. Tener, in being named as one of the members of the new board of inspectors for

the Western Penitentiary. This action has pleased the friends of Mr. Price, who believe that no better selection could be made by reason of his wide experience, his thorough good judgment and his clean record. Mr. Price has been manufacturer, merchant, and banker.

THE CITY IS GETTING WISE

The street car companies must deposit the 8 per cent of their gross receipts provided for in the ordinance for renewals in a separate fund in a bank, so that the interest may accrue to the fund, according to an agreement reached yesterday between the city and company officials.

BANKER WAIVES HEARING

Wellsville, Ohio, June 5.—Thomas H. Silver, president of the Silver Banking Company, that failed a week ago, and who surrendered to the Wellsville police yesterday, waived a preliminary hearing in court to-day and was bound over under bond of \$2,500 to await the action by the grand jury. Silver is charged with accepting deposits at the bank after he knew that it was insolvent. He says that he will assist the receiver in adjusting affairs, and asserts that the failure is not as bad as has been reported, claiming that the deposits were less than \$100,000.

Sentence of Joseph G. Robin, on the petition of District-Attorney Whitman, has gone over to October 9th. Robin came up before Justice Seabury Thursday. The district-attorney stated that the prisoner had given testimony of great benefit to the state in pending cases. Robin was recommitted to the Tombs.

L. MANASSE

88 MADISON ST.
Tribune Bldg.



CHICAGO

ESTABLISHED 1868

SPECTACLES AND EYE GLASSES SCIENTIFICALLY FITTED AND ADJUSTED
EXAMINATION FREE OF CHARGE

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Bank Fixtures and Safes.

For Sale—1. An outfit of mahogany and iron fish scale (two cages) fixtures and a burglar-proof Hall safe with Yale double time lock and combination inside case lock, outside measure 29x25 and 40 high. The First National Bank of Mattoon, Illinois. (Deposits One Million.)

2. A similar outfit of oak and iron fixtures (no cages) and a Hall combination fire and burglar-proof safe 36x36 and 46 high. The Mattoon National Bank of Mattoon, Illinois. (Deposits One-half Million.)

For Sale. At a great sacrifice, beautiful mahogany and marble bank fixtures complete with grills, cages, counters, etc., suitable for a banking room containing about 3500 square feet of floor space. Also a safety deposit vault containing 2514 boxes of various sizes with mahogany coupon rooms, wall desks, etc. For further particulars address F. G. Fisher, 450 Railway Exchange, Chicago, Illinois.

FOR SALE—Miscellaneous

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/4 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.50 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.00. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

UNITED STATES BANK CLEARINGS IN MAY

According to R. G. Dun and Company, United States bank clearings in May aggregated \$13,398,404,320, as compared with \$13,072,537,297 in May, 1910, a gain of 2.5 per cent, and with \$12,943,334,619 in May, 1910, a gain of 3.5 per cent.

Thomas A. Reynolds has been elected assistant cashier of the National City Bank.

Department of New Business

NORTHWEST

Bloomington, Ill.—The Illinois Trust & Savings Company has been chartered with a capital of \$100,000. G. Frederick, C. M. Harlan and others are promoters.

Oak Park, Ill.—A new state bank with a capital of \$10,000 has been organized to start July 1st. Henry Pillinger will be president and Harold Pillinger, cashier.

South Chicago, Ill.—The South Chicago State Bank has filed articles of organization with a capital of \$200,000. W. H. Klein, T. G. Deering and others are promoters.

Ottawa, Ill.—The First Trust Company has been chartered with a capital of \$50,000. Lorenzo Leland and others are promoters.

Plainfield, Ill.—A new national bank is to be organized at this place.

Danbury, Iowa.—A new bank has been organized here. H. D. Hedrick will probably be the president and Louis Derr cashier.

Delhi, Iowa.—The Farmers State Bank has been chartered with a capital of \$10,000. A. R. Piersol and J. A. Piersol, of Delhi, and A. O. Gimmersted, of Belview, are promoters.

Columbus Junction, Iowa.—The Louisa County State Bank has filed articles of organization with a capital of \$30,000.

Wheeler, Wis.—C. D. Codge, of Downing, is interested in the organization of a new bank here with a capital of \$18,000.

New London, Wis.—The Farmers State Bank of New London has been incorporated with a capital of \$25,000. Incorporators are Giles H. Pulman, Jacob Warner, John Jennings and others.

Milwaukee, Wis.—T. C. Esser, Dr. W. A. Heitman and Gottlieb Wirth have organized a \$50,000 bank, to be located at North Avenue and Thirty-fifth Street, and will be ready for business September 1, 1911.

Kaukauna, Wis.—The Farmers & Merchants Bank has been organized with a capital stock of \$30,000.

Duluth, Minn.—The Central State Bank of Duluth has been formed with a capital of \$50,000. Board of directors are: Penticost Mitchell, John H. McLean, Julius H. Barnes, A. C. B. Vollt, B. M. Peyton, Hamilton H. Peyton and others.

Virginia, Minn.—Douglass Greeley, of Pine City, F. S. Williams, of Minneapolis, G. E. Hendricks and D. H. Toegers are interested in the organization of the State Bank of Virginia, capitalized at \$50,000.

EAST

Boston, Mass.—A new trust company is being organized to be located in the Sears Building. Frederick G. Roberts is prime mover.

Burkettsville, Ohio.—A new bank has been organized with a capital of \$25,000. George Vanderbosh is interested.

South Ozone Park, L. I., N. Y.—A new bank is being organized at this place.

Burkettsville, Ohio.—The Farmers & Merchants Bank has been incorporated with a capital of \$25,000. E. N. Moore, Geo. Vanderbosh, Jos. Frank, G. Kaup, L. B. Jones and James Birt are promoters.

East Hartford, Conn.—The East Hartford Trust Company has been organized by Leslie L. Brewer and Daniel D. Bilwell.

Princeton, N. C.—The Merchants and Farmers Bank has been chartered with a capital of \$25,000. John H. Edwards, Chas. Edwards, G. P. Massey and others are promoters.

Raeford, N. C.—The Bank of Hake is the title of a new enterprise to start about July 15th. Directors are: G. W. Brown, J. A. Cur-

rie, J. C. Thomas, Edgar Hall and J. W. Johnson.

WEST

Los Angeles, Cal.—The Citizens Trust & Savings Bank has been incorporated with a capital of \$500,000.

Patterson, Cal.—Articles of incorporation of the Bank of Patterson have been filed, capitalized at \$50,000. T. W. Patterson, of Fresno, C. A. Sperry and J. M. Kerr, of Patterson, are interested.

Monterey, Cal.—The Monterey Savings Bank has been chartered with a capital of \$25,000 with T. J. Field, Chas. B. Henry, Chas. H. Few, H. N. Gragg, James Martin, Carane Martin and M. Ortins are interested.

Carpenteria, Cal.—The Commercial & Savings Bank, with a capital of \$25,000, has been organized. Warren D. Isenberg is president, J. F. Tubbs vice-president and C. O. Anderson cashier.

Central Point, Ore.—A new bank is to be organized at this place. J. W. Donohue and others are interested.

Eagle Point, Ore.—The First State Bank has been organized. J. V. McIntyre is to be cashier.

Seattle, Wash.—The Broadway State Bank has been organized to be located at Broadway and Denny Way.

Stockdale, Kan.—The State Bank of Stockdale has been organized with a capital stock of \$10,000. Jarvis Kershaw, John Butterworth, A. Enoch, James Brooks, T. Brooks and S. H. Kunan are interested.

Lewellyn, Neb.—The Garden County Bank has been organized with a capital of \$10,000. S. P. Delatour is president, Eugene Delatour vice-president and B. C. Delatour cashier.

SOUTH

Arkadelphia, Ark.—The Merchants & Planters Bank has been organized with a capital of \$100,000. J. N. Stuart and others are interested.

Demopolis, Ala.—A new national bank with a capital of \$100,000, has been organized at this place. A. R. Smith of the Demopolis Business League, will be president; Isidore Bley, vice-president, and John D. Norwood, cashier.

Ponchatoula, La.—A new bank has been organized here. R. A. Pierson will be cashier.

Sarasota, Fla.—The Citizens Bank is a new enterprise. Capital \$25,000. Owen Burns is president, Oscar A. Burton and G. W. Franklin vice-president, and R. H. Johnson cashier.

Decaturville, Tenn.—The Farmers & Merchants Bank has been organized with a capital of \$15,000. P. W. Miller is president, P. H. Ulrich vice-president, and Charles A. Smith cashier.

Sardis, Ga.—The Peoples Bank has filed articles of organization with a capital of \$25,000. J. W. Reiser, Geo. M. Brinson, J. M. Guann, R. L. Brinson, H. W. McCartney and others are interested.

Mt. Airy, Ga.—The Bank of Mt. Airy has been chartered with a capital of \$25,000. J. O. Norris is president.

Paris, Tex.—The Guaranty State Bank and Trust Company has been chartered with a capital of \$50,000. Worth Duncan is president; J. R. Wilson, vice-president, and S. M. Henderson, cashier.

Slaton, Tex.—The First State Bank has been chartered with a capital of \$15,000. O. L. Slaton, B. D. Oldham, W. S. Posey and others are promoters.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

public good. A good, stiff punch, with a liberal reserve of the same kind on call, is the best answer for the slanderer.

NATIONAL CITY BANK circular for June is optimistic and gives hope. It says: "People everywhere are benefiting from the year of wholesome restraint which has helped to fortify conditions in all parts of the United States. There is not the same extravagance of living as there was a year ago. By exercising both public and private economies the position of the whole country has been rendered materially stronger."

BANKERS will be interested in the National City view on money conditions. The letter says: "The very large purchases of short term notes by many banks suggests a rather interesting problem about the future of the money market. There is no such fixed market for short term notes as there is for recognized railroad bonds or other long term securities. For that reason it would seem to be wise for the banks to consider the advantage of confining future investments of this character rather largely to bonds having a broad and settled market in distinction from some of the short term notes where the investment return is larger, but the chances of easy convertibility is much less certain."

MRS. NELLIE JEANETTE FREELAND announces the marriage of her daughter, Harriet, to Virgil Worth Moore at Chicago on June 1st. Miss Freeland for a number of years was employed as a stenographer in the Royal Trust Company Bank, and when the business of that institution was absorbed by the Central Trust, she continued in their service. Cards announce that the Moores will be at home after July 1st at Thorntown, Indiana.

S. B. CHAPIN AND COMPANY is distributing a valuable letter on the cotton acreage of the United States. It may be had on application.

CITIZENS BANK of Storm Lake, Iowa, conducted by Schaller and Son, will be converted July 1st to the Citizens National with a capital of \$75,000. The Schallers, father and son, believe the community can be served better by an incorporated institution.

THIS will be a popular move and is complying with the public feeling in Iowa, that all banks should be under supervision and inspection. Schaller and Company is an honestly conducted private bank and stands high in the county, but will have a much higher career as a national with fixed capital and published statements.

PERHAPS that Iowa population hasn't decreased after all. The assessor of one township reports "19 births where only 10 had been reported." So cheer up!

WE are getting ready to have one (large, dark) on E. J. Curtin, if the Iowa bankers have the good sense to elect him president at Mason City. It would be a small reward for the work he has done for the association.

THE bond market seems to be on the road to a complete recovery.

EDWIN L. WAGNER, president of the National Produce Bank, sailed May 6th for Europe, to be gone ten weeks. Ralph N. Ballou, cashier, will be executive in charge during Mr. Wagner's absence, which is some compliment.

THE plans for the new Continental and Commercial building are the most elaborate ever seen in Chicago. One architect has spent

eighteen to twenty thousand dollars in drawings, models, lighting displays and effects, and the end is not yet. It is a liberal education in modern building arts just to see them.

ONE architect has his offices cleared of every thing in the line of furniture and the walls draped with tapestries and rugs the better to bring out the plan and wash drawings. Some of the models are marvels and show the effects in lighting by the various light court designs. It is a valuable prize to the profession.

WE understand that Chief Examiner McDougal of the Chicago Clearing House has decided that he will remain here, rather than to go to the New York position, which was offered to him. A lot of people will be glad to know of this.

R. L. RINAMAN of St. Louis who had some of his innards gouged out by a surgeon is back on the job again feeling "quite tolerable." His many friends will be pleased to know that he is out of all danger and quite happy about it.

NEW ORLEANS CLEARING HOUSE wants to change the date of the A. B. A. convention from November 13th, to November 20th, one week later. This will depend upon the consent, of course, of Secretary Farnsworth for the A. B. A. The Colonel is going down to New Orleans next week when the matter will be decided definitely.

CHICAGO is to have a postal bank real soon and the Daily News, a pioneer in the movement, is quite well pleased over it. Chicago will be the first of the large cities to be so honored.

THE D. N. believes that "the only objectors to the postal bank should be men who desire to get the use of a large amount of money merely by putting the word 'bank' on their office windows. Irresponsible 'bankers' of this sort have found their victims largely among the poor, to whom the security of the postal bank ought to prove a blessing."

YES, and by the way, they are the same who kick on bank supervision. Not because supervision is dishonest or postal banking is wrong, either.

"SILVER JUBILEE," and printed in silver on gray-blue cover, on the Mason City program, ought to make a hit with the members. Shows, too, that P. W. H. is up to the situation.

THREE bankers were held by the Mayor on Tuesday. They were not arrested, but they were kept on the job as members of the police pension board by Mayor Harrison to whom they offered their resignations. The bankers are Joseph E. Otis, John J. Mitchell and Oscar G. Foreman.

ORRIN N. CARTER, of Chicago, has been made chief justice of the Illinois supreme court, by his fellow judges. This is a high honor and all Chicagoans know Judge Carter, long time county judge for Cook county, deserves it and will give dignified service.

RUMORS are about divided as to whether D. R. Lewis or Wm A. Heath will be elected to succeed the late John V. Clarke as president of the Hibernian. Lewis now is its vice-president, a position which Mr. Heath held before being elected president of the Live Stock Exchange National. Mr Heath was in no sense a candidate.

AMONG the Chicago bankers who took ship for the South Dakota meeting were James G. Wakefield, W. G. Edens, Wm. A. Heath and G. M. Reynolds. Mr. Reynolds is very much in earnest in his work for the National Reserve Association and Mr. Edens, also, was on the S. D. program.

NORTHWESTERN NATIONAL in its June letter covering home conditions says, "The money market in the Twin Cities remains practically unchanged, there being considerable activity in the way of small trades, but matters of greater importance naturally are being held in abeyance, pending more definite knowledge as to the returns to be expected from the crop."

CASHIER.

TO MEET AT LOUISVILLE

Washington.—National Bank Examiner Percy H. Johnson, chairman of the district including Southwestern Ohio, Southern Indiana, Kentucky and Tennessee examiners which will meet in Louisville July 3d, has sent to the comptroller the program of the meeting, which will be followed by a general discussion by national and state bank examiners in the district. Much interest attaches to the meeting and bankers from all over the country will be in attendance.

A paper on "Assets, Good and Bad," will be read by Charles R. Dodge, chief examiner of the state of Ohio.

The Hon. Ben L. Bruner, secretary of state, Frankfort, Ky., will speak on the "Startling Revelations in State Banks, Showing the Need of Supervision in Kentucky."

Papers will also be read by Samuel L. McCune, national bank examiner; J. A. Armstrong, national bank examiner; Lon Rogers, state bank examiner, Frankfort, Ky.; T. C. Thomas, national bank examiner; E. H. Gough, national bank examiner, and George U. Biegler, national bank examiner.

A NEW HARPER NOVEL, BY MRS. SPOFFORD

Among the shorter books of fiction being issued this season, is a charming little novel written by Harriet Prescott Spofford. Mrs. Spofford, who is in her seventy-seventh year and still writes as entertainingly as ever, has named her latest book "The Making of a Fortune." Starting out with a brief discussion of a big project planned by Jack Aversleigh and to be backed by his associates who are looking it over, the story then reverts to his courtship and winning of Emily, a beautiful girl who had always lived in a village and had had her first real taste of the glitter and pomp of society at a house party where he met her and was immediately charmed by her delightful simplicity. How this man of big business ventures and unqualified success in all of his undertakings, noted for his honesty and ability, constantly harassed himself with the morbid idea that Emily married him for all his great wealth could give to her and not for himself; how a little key and a set of rubies costing a little more than a quarter of a million which he lavished upon her among other things, form the turning point in the story and make possible the success of the project already referred to, are all told in a very clever manner. Emily is a very lovable girl who adapts herself so readily to her new surroundings and soon has so many friends and so many social distractions that, although entirely true to her husband, she does not realize his need of her. Jack Aversleigh at last is made to see, in part at least, the true state of things and is almost as happy as it is possible for mortal to be. "The Making of a Fortune" is a splendid story for a couple of hours on a hot summer afternoon when anything too deep and intense would be impossible. There are four illustrations by Alice Barber Stephens. Harper Bros., New York, publishers. \$1.00 net.

The First National of Hoopston has doubled the size of its safety deposit box equipment.

The Brandt Automatic Cashier

SAVES

all the bother and worry of counting and picking up small coins.

Saves 25% in time.

Prevents errors.

It's automatic.

PRESS ONLY ONE KEY
PAYS MONEY



Pressing ONLY ONE KEY
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COSTS

less than
5 cents a day
to own.

Requires no
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TEN-YEAR
guarantee.

BRANDT CASHIER COMPANY
727 SOUTH DEARBORN STREET · CHICAGO



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

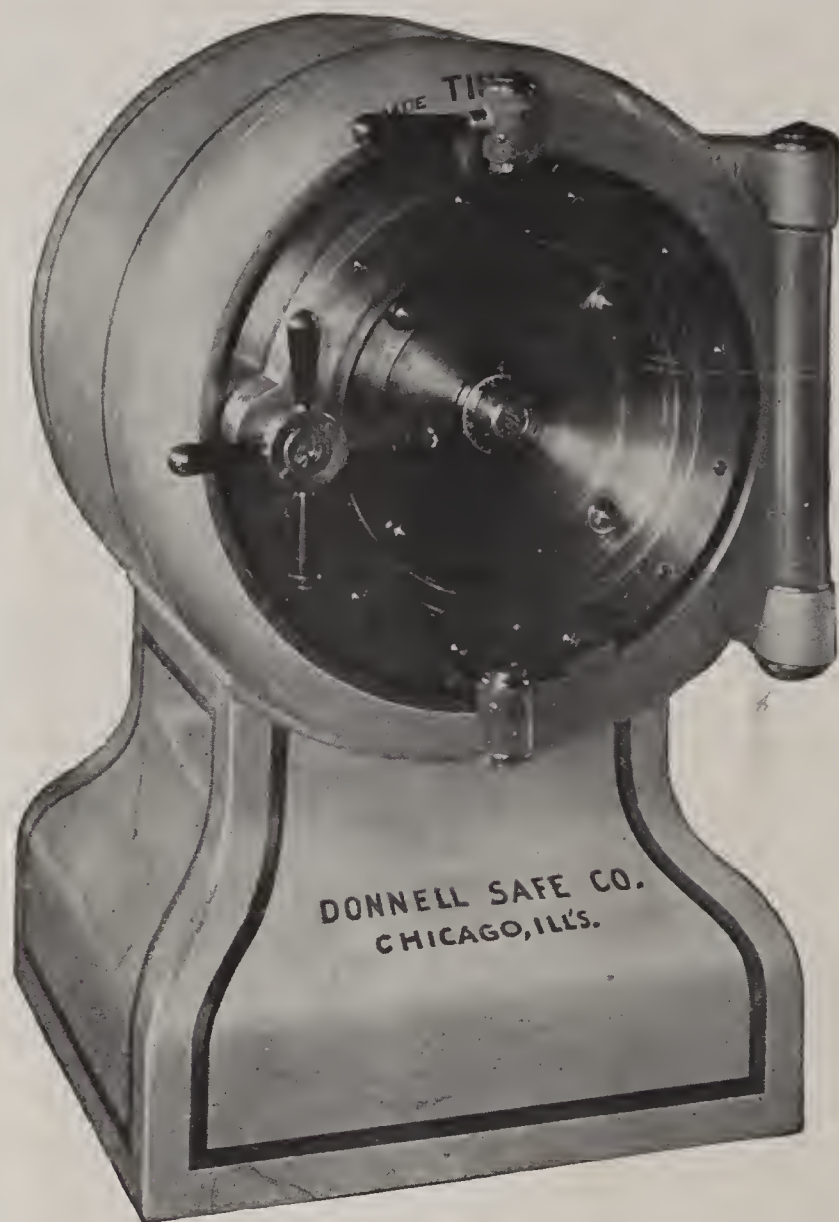
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Deposits, May 6, 1911 - - 29,031,750.04

OFFICERS

ALFRED L. BAKER	-	DAVID R. FORGAN, President	-	HENRY MEYER	-	Assistant Cashier
H. E. OTTE	-	Vice-President	-	A. W. MORTON	-	Assistant Cashier
F. A. CRANDALL	-	Vice-President	-	WM. N. JARNAGIN	-	Assistant Cashier
L. H. GRIMME	-	Cashier	-	WALKER G. McLAURY	-	Assistant Cashier
W. T. PERKINS	-	Assistant Cashier	-	R. U. LANSING	-	Manager Bond Dept.
W. D. DICKEY	-	Assistant Cashier	-	M. K. BAKER	-	Asst. Manager Bond Dept.

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best equipped safe factory in America. ¶ Their Manganese safes are superior to any in the market and we will furnish you with insurance for \$3.50 per thousand for three years. ¶ We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal if not superior to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

FOURTH STREET NATIONAL BANK OF PHILADELPHIA, PA.

Capital - - - \$3,000,000.00
Surplus and Profits - - 6,400,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

The Girard National Bank OF PHILADELPHIA

Capital, - - - \$2,000,000.00
Surplus and Profits, 4,450,000.00
Deposits, - - - 38,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN Vice-President	JOSEPH WAYNE, Jr. Cashier
THEO. E. WIEDERSHEIM Second Vice-President	CHARLES M. ASHTON Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JUNE 17, 1911

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Buys Hibernian

The purchase of the Hibernian by the Continental and Commercial has been practically completed. It looks like a wise move from both ends and the public will approve. A genius for creating and operating big banks is a gift which may not be denied. Both boards, without dissent, have approved and the Continental and Commercial National will issue \$1,500,000 of new stock to purchase the Hibernian's \$1,500,000 capital on an even exchange of shares. This will give the Continental and Commercial a total capital of \$21,500,000 and it will own the Hibernian's stock. The book value of the stock of the two institutions is almost identical at \$170 a share.

The Hibernian is to be continued in business as a separate institution in its present location and with its present official force, but George M. Reynolds will be elected chairman of the Hibernian board of directors, the Continental to have control of the board. The smaller bank will continue its separate existence, probably, till the Continental and Commercial is able to move into its new building on LaSalle Street, in about three years. Then it will be housed with the larger institution and will become part of the trust company and savings departments.

The purchase of the Hibernian will give the Continental combination upward of \$233,000,000 deposits, according to their statements as of June 8th, total capital of \$24,500,000, including the \$3,000,000 of the trust company, surplus and profits of more than \$12,000,000 and making totals of \$268,000,000. The deal will make a total of twelve banks in the Continental's combination. Several years ago it took over the old International and the Globe National and later the National Bank of North America. With the American Trust and Savings Bank, acquired in 1909, were absorbed also the Federal Trust and Savings Bank and the Mutual Bank, which the American had bought. With the Commercial National, which was taken a year ago, were also absorbed, the Bankers' National, which the Commercial had bought and the Lincoln National, which the Bankers' had bought. The Hibernian is the latest addition to the combination, though that is not to be absorbed at present.

The deposits acquired by the Continental through these consolidations amount to \$109,000,000 out of the total of \$197,000,000 shown by the bank and its trust company as of June 8th. When Mr. Reynolds became connected with the Continental it had about \$12,500,000 deposits. Independent of the consolidations therefore, it has increased about \$75,500,000.

It will take about five weeks to work out the purchase, which is a purchase pure and simple of Hibernian stock from the holders. No corporate change is necessary.

POSTAL BANKS FOR ILLINOIS

Washington, June 13.—Chicago Heights is to have a postal savings bank July 13th. It is among the fifty postoffices designated to-day to have a depository on that date. Among the other offices selected are Granite City and Madison, Illinois; La Porte and Whiting, Indiana; Le Mars and Waverly, Iowa, and Hancock and Ishpeming, Michigan.

Two of Iowa's Leading Bankers



JOHN McHUGH
SIOUX CITY



A. F. DAWSON
DAVENPORT

Mr. McHugh is president of the First National at Sioux City and presided at the Mason City convention as president of the Iowa Bankers' Association. His address should be read by all interested in association or group work. It is far out of the ordinary.

Mr. Dawson is the new president of the First National at Davenport. He was for six years confidential secretary to the late Senator Allison and has served six years in Congress, during which time he had much to do with financial affairs of Congress and the government. As a public speaker of note he will be of value in the councils of the state and national associations. The First National Bank of Davenport was the first national bank in operation in the United States and is one of the best in Iowa.

The Conventions

During the coming week five states will hold conventions for which important and interesting programs have been prepared. Chief among these in importance to western bankers is the twenty-second annual meeting of the Minnesota bankers at Bemidji on Wednesday, June 21st. A special hotel train has been organized leaving the Twin Cities on the night of Tuesday, June 20th, starting from St. Paul at 8:30 p. m., and from Minneapolis at 9 o'clock. The visitors will live on the train and the trip will include a visit to International Falls.

The convention will open at 9 o'clock on Wednesday morning in the Armory at Bemidji and will be called to order by President L. A. Huntoon of Moorhead who will deliver his address. There will be reports from Secretary Charles R. Frost; Treasurer A. G. Wedge, Jr., and two important addresses. Hon. J. A. Tawney of Winona will have a semipolitical subject and Hon. Kelsey S. Chase, superintendent of banks, will talk on the "Registration of Commercial Paper." A recess will be taken at 11:30 and delegates and visiting bankers will be conveyed to Diamond Point on Lake Bemidji to partake of a "Pike Dinner." There will be an afternoon session at 4:30 at which the principal address will be by Joseph Chap-

man, Jr., of Minneapolis on "Educational Reform in Minnesota." Professor Weld of the State Normal School will talk on "Training Teachers for Agricultural and Industrial Instruction." Honorable Lafayette Young of Des Moines, Iowa, will speak on "The Banker and Other Men" at the evening session. The Minnesota bankers have undertaken quite a task in holding their big state convention in a small city like Bemidji. There are but two hotels in the place and although they are well managed, except for the special plans of Secretary Frost, the convention would have proven a failure. At International Falls there will be a boat trip on Rainy Lake and the immense power plants at that place will be visited.

New York Convention

New York bankers will hold their eighteenth annual convention on June 22d and 23d at the Oriental Hotel, Manhattan Beach. New York bankers have a choice of a great many summer resorts and the attractions of Manhattan Beach with its fine hotels only forty minutes' ride from New York City ought to draw a very large attendance. The hotel headquarters will be immediately upon the ocean front, insuring the comfort of the guests. The program will lay especial emphasis upon the currency reform question and Joseph T. Talbert, vice-president

(Continued on page 24)

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Surplus and Profits \$10,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

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The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago

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We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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CHICAGO, ILLINOIS

ESTABLISHED 1873

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Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

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Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

EDWARD TILDEN, - President
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H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

OUR Kansas City correspondent—Allen—joined the June procession and was married on Tuesday of last week. Hereafter his interesting letter will be better than ever. Honeymoon in Chicago.

DOPESTERS on the Hibernian situation certainly had it all wrong for once. Of course several interesting combinations could have been made. Too many bankers—big ones at that—want to buy amalgamation banks cheap. G. M. R. is willing to buy them dear and make them the seller and the buyer both a profit. You can't keep a really good man down—nor head him off.

ILLINOIS has a joy-riding chauffeur law now. Here's what the judge said to the first chauffeur convicted under a similar law in New York. "You are a joy-riding chauffeur. The law now provides that the taking of any one's automobile and operating it for the purpose of the taker and for the use of the taker, without the owner's permission, is plain, everyday larceny, and the joy-riding chauffeur is a plain, everyday thief. There is good sense in this law. "In view of the facts disclosed in the sworn testimony against you, the sentence of the court is that you be imprisoned in the penitentiary for one year."

F. W. JULIN is well and favorably known to thousands of bankers. Formerly he was with the Bankers Engineering Company, but now he is out for himself, at 1414 Hartford building. He designs plans and builds bank buildings, fixtures, furniture, etc. He's able, conscientious and fair in charges, so give him a chance to figure your improvements. If he can't help you he won't charge you.

GEORGE WOODRUFF is being congratulated on taking over the Citizens National and thus making the First of Joliet one of the first rank banks in the state outside of Chicago. Any one who thinks that young Woodruff regards life as one huge joke can have two guesses.

"I BELIEVE," said George Woodruff in discussing the consolidation, "that the time has come for a new era in banking in Joliet. The entire sentiment of the country favors concentration and the strength which concentration in financial and industrial affairs properly conducted, brings. It is the wish of the officers and directors of the First National Bank to create a bulwark so strong financially that it will be able forever to stand between the institutions of Joliet and any menace of financial adversity."

THE First of Joliet has an "associate board," one of the first of its kind and this board is elected regularly and meets regularly. It fixes the policy of the bank and the executive staff does the rest.

DOWN at Seaton, Ill., the safe of the Bank of Seaton was blown Saturday night and from the resulting explosion the bank and five or six other buildings were burned.

GEORGE E. ROBERTS, director of the mint, on account of family illness, was not able to go to the Idaho convention, and John Perrin of Indianapolis took his place on the program.

PENNSYLVANIA had but 321 members in the state association in 1895. In 1911 they have 1,111 and still going. The gain for the year is 44. The council of administration during the year refunded to the various groups \$3,682.00, and to the trust company section \$1,000.

BLACK HAWK NATIONAL, Waterloo, Iowa, is one of the first to distribute paper drinking cups with the banks ad. on the neatly folded utensils. Quite a hit and not nearly so expensive as many less effective plans. The Black Hawk has passed the million and a half mark.

THESE little paper cups go nicely into an envelope and take printing nicely, which in no wise affects their usefulness. A veteran Iowa golf player assures us they will convey high-balls to their destination in fine style.

NOTHING went wrong in the protective committee's field except the cashing of a few bad checks. This the careful burghers hope to eliminate next year.

PENNSYLVANIA is flatly opposed to one western fad—the segregation of deposits. The state convention takes an annual kick at it and this year the council of administration passed the following: "Resolved that the Pennsylvania Bankers Association is unalterably opposed to any and every plan for the segregation of deposits that has ever been proposed."

SECRETARY KLOSS praised the group system in the state and gave it credit for the present advanced standing and high record of the state association.

DIRECTORS of the Guaranty Trust Company of New York have declared an 8 per cent quarterly dividend on the \$5,000,000, capital stock of the company. The deposits of this company now exceed \$140,000,000, considerably more than those held by any other trust company in America. Dividends of 32 per cent a year are not so common in banking lines either.

JAMES W. MAXWELL is the live wire out Seattle way. Can't be kept out of the banking business. When his name was connected with the purchase and conversion of the Commercial State into a larger bank the new shares were doubly subscribed. The new bank, The National City, of Seattle, opened June 1st with half a million capital and \$100,000 surplus. Seattle now has seven nationals—half as many as Chicago.

MR. MAXWELL, who was at one time national bank examiner in the Pacific Northwest and later cashier of the National Bank of Commerce, and cashier and vice-president of the Seattle National, is president of the

National City Bank. With him are associated as vice-presidents, F. W. Baker, president of the Title Trust Co., and J. H. Bloedel, president of the Larson Lumber Co. The position of cashier will be filled later. W. B. Shoemaker, who held the position of cashier in the Commercial State, wishes to be relieved in the near future and temporarily accepted an assistant cashiership. C. B. West, formerly with the Seattle National, is an assistant cashier.

LAFAYETTE YOUNG of Des Moines, ex-senator, editor and popular lecturer of course doesn't write out his addresses. He says if he does he invariably delivers another or gets off the track so far that the resemblance is lost. He will talk extemporaneously at Bemidji, Minnesota, convention.

FRANK A. WELCH, head of the State Normal at Moorhead, on the same program, is in the same boat. For years, when Joseph Chapman, Jr., was secretary of Minnesota, manuscripts were barred. Now, no Minnesota speaker will "own up" to having a written speech about him lest he find himself in bad form.

LATELY we have been receiving papers on the proposed monetary plan, running from 38 to 50 pages of typewriter manuscript. Think of them and the thermometer in the nineties. Really going to some bankers conventions is a hazardous occupation.

DON'T get fooled. The young man who wants to prepare your ad. copy may be the dearest of dead ones and yet fool you with a few choice extracts from the pages of a "Cyclopedia of Selling Phrases." It contains deposit-getting phrases also and if you like that sort of thing you can buy it for \$15.00 and save putting the "new man" on the pay roll.

NATIONAL CITY BANK, Chicago, opened February 5, 1907, with \$2,198,337.25 in deposits. In two years it went to twelve millions and in two more years to \$23,309,555.86. That was on January 7th, this year, and on June 7th the deposits were \$29,259,966.56. This indicates a state of health that ought to keep the doctor away for some time.

THE National City Circular continues optimistic thusly: "People everywhere are benefiting from the year of wholesome restraint which has helped to fortify conditions in all parts of the United States. There is not the same extravagance of living as there was a year ago. By exercising both public and private economies the position of the whole country has been rendered materially stronger."

HENRY M. CARPENTER, president of the Monticello (Iowa) State Bank, has been in Chicago the better part of a week witnessing his son's graduation from the University of Chicago. On Wednesday evening he went to Mason City with the Chicago bankers over the Northwestern.

TO SIT in a church two and one-half hours, with the weather on the links so fine, is
(Continued on page 31)



COLONIAL TRUST & SAVINGS BANK

La Salle Street, N. E. Corner Adams, CHICAGO

JACOB MORTENSON, Vice-President
R. C. KELLER, Vice-President and Cashier

LONDON CABELL ROSE,
President

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We offer a convenient and efficient service to those desiring a Chicago connection

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
R. M. MCKINNEY, Cashier
JAMES M. HURST, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. H. HURLEY, Asst. Cashier

WE present on another page the statements of the First National Bank of Chicago, and the First Trust and Savings Bank, showing combined deposits of \$172,859,312.47. Both banks are owned by the same stockholders, and together with the National Safe Deposit Company, are governed by the same board of directors. These institutions offer to conservative people a most complete financial service of the highest character.

JAMES B. FORGAN, President.

Chicago, June 7, 1911

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis is the logical Twin City connection.

Resources, \$26,000,000.00

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C. T. JAFFRAY, Vice-President
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GEO. F. ORDE, Vice-President

D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

CORN EXCHANGE NATIONAL BANK . . . OF CHICAGO, ILLINOIS

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CHAUNCEY J. BLAIR, Vice-President	J. E. MAASS, Assistant Cashier
B. C. SAMMONS, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Charles H. Hulburd
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Benjamin Carpenter
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Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

CHARLES G. DAWES, President	
WILLIAM R. DAWES, Cashier	
A. UHRLAUB, Vice-President	L. D. SKINNER, Assistant Cashier
E. F. MACK, Vice-President	WILLIAM W. GATES, Assistant Cashier
WILLIAM T. ABBOTT, Vice-President	JOHN W. THOMAS, Assistant Cashier
ALBERT G. MANG, Secretary	
MALCOLM McDOWELL, Assistant Secretary	
WILLIAM G. EDENS, Assistant Secretary	
JOHN L. LEHNHARD, Assistant Trust Officer	

DIRECTORS

A. J. EARLING, President Chicago, Milwaukee & St. Paul Ry. Co.
P. A. VALENTINE, Capitalist
ARTHUR DIXON, Pres. Arthur Dixon Transfer Company
CHARLES T. BOYNTON, Pickands, Brown & Co.
ALEXANDER H. REVELL, President Alexander H. Revell & Company

S. M. FELTON, Pres. Chicago Great Western Ry. Co.
T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
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JULIUS KRUTTSCHNITT.
CHARLES G. DAWES, ex-Comptroller of the Currency

THE CHICAGO BANKER

Founded in 1898

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CHICAGO, JUNE 17, 1911

NUMBER 24

At Mason City

Address of President John McHugh in which he advises a higher type of organization for the State Associations

The purposes and objects of this association as set forth in the preamble to the constitution, in so far as they were intended "to promote the general welfare and usefulness of banks and banking institutions," have, during the quarter of a century of its existence, been in large degree accomplished.

By gathering together in the annual meetings of the association and in the group or district meetings, thus extending members' acquaintances, listening to the discussion of important subjects by thoughtful students and bright, practical men of banking experience, and participating in the discussion of banking topics, the members of this association have profited far more than one would realize, and they have through this instrumentality, become better equipped to successfully conduct their respective banking institutions.

But in so far as the purpose and objects of this association as set forth in the preamble to the constitution, were intended "to secure uniformity of action," I cannot say and I do not think that we have made the most of our opportunities. We are not a unit, nor do we act uniformly on important questions, much as I dislike to own this fact.

When I was made the recipient of that ferment and honor at your hands a year ago which placed me in the office of president of this association, I determined that no effort should be spared on my part, in the short space of time allotted to me to serve in that capacity, to at least initiate a plan that would, if followed out, in my opinion, eventually lead to greater organization, the object in view being to secure "uniformity of action" by the members of this association. To that end I advised the members of the executive council that there would be during my term of office, at least quarterly meetings of that body, and that the council would be expected to direct and pass upon every important affair of the association, to be fully advised of every step taken by the officers, and to approve the disbursements of the association, all in so far as it would be practical to do so. It is but timely here to state that the executive council has acted accordingly and the members of the council have responded heartily to the requirements. It affords me great pleasure now at this the end of my term, to express to them my sincere appreciation of their co-operation and interest at all times during the past year in the work of the association.

At the last convention, after having given very careful consideration to the subject, it was decided to employ a secretary whose duty it would be to give his exclusive time and attention to the affairs of the association. For that important position, you selected P. W. Hall, of Sheldon, and the headquarters of the association with him in charge. His work has been most effective. His office is now recognized as the headquarters from which may be had, by any member, valuable information and assistance in many ways. To him I deem it but eminently proper for me to acknowledge my appreciation of his able assistance in our efforts to initiate and develop methods that would lead to "uniformity of action."

I have had the pleasure of attending many

of the group meetings during the past year and in every case I found splendid attendance and an indication of great interest in association affairs. I became greatly impressed with the possibilities of greater organization within the association and the benefits that must accrue to the members in the event of going systematically to work to consider, and to get results after considering, the many questions of importance to bankers that come up from time to time.

As the chairman of each group is a member of the executive council and as the several group chairmen constitute a majority of the council and, as it seems to me, that in order to secure "uniformity of action" eventually, our efforts should be to voice the decisions of the members of this association through the group chairmen to the executive council and thereafter through the latter, thus making the executive council a governing body in fact, I have taken occasion to promote the idea that from the group meeting should emanate the thought and instructions that would find their way into the executive council and there enter into the administration of the affairs of the association. To successfully bring this about; however, I have urged that group meetings should be held far more frequently than once a year, or at least whenever questions of importance should have careful attention.

Under the plan as adopted during the past year, the group chairman as a member of the council, has an opportunity to become familiar with and pass upon every affair of the association, and through him the members of his group have an opportunity to become fully advised of and have a voice in the administration of the affairs of the association.

It is well within the possibilities, however, to go very much farther than this in the way of organizing for "uniformity of action." My thought is, that at a time when the legislature is in session or at a time when questions of great importance are occupying the attention of the bankers of the state, the several group members ought to get together in their group meetings for counsel, summon to their aid all information available upon the subject to be discussed, discuss such subject intelligently and conclusively, and then by a majority vote, instruct the group chairman as a member of the executive council, just what position to take when such matters came up for consideration in the council. The chairman then, with other chairmen constituting a majority of the council, would be in a position to lay before the officers of the association and before each other, an intelligent consensus of the opinion of the rank and file of the association. In the matter of prospective state legislation, for instance, under this system of considering it, the conclusion of a majority of the council would be the conclusion of a majority of the members of the association. Every member of the association should, regardless of possible conflicting individual opinions, support any conclusion thus reached. It is true that the conclusion reached might not and very probably would not be in harmony with the view of every member of the association, but it would be in harmony with the views of a majority

of the members, and if the minority, imbued as they ought to be with the proper spirit of loyalty to the association, would support the majority, it would mean organization worth while, and the purpose and objects of this association, in so far as they were intended to secure "uniformity of action" would be accomplished. Better would it be to err once in a while in presenting a united front than be always lacking in that mutuality of interest that would insure uniform action.

If in the advocacy of equitable legislation, the 1,500 members of this association could be depended upon for united action, it would mean that included in that support would be their officers, directors and many of the stockholders and employees, and you can readily see that through such support they would be a power that would be bound to succeed in accomplishing anything reasonable which they set out to attain.

During the session of the legislature the past winter, the officers of the association, the council and proper committees gave a great deal of time and attention to legislation which it was deemed advisable to promote. They also considered certain proposed legislation which was thought to be inequitable. Much good was accomplished and certain bills that were favored became laws. The repeal of the tax ferret law urged so strongly by bankers and other business men of the state, might be referred to as an accomplishment in which we took a leading part. Had we had organization, however, such as I have suggested, and the executive council and the committees having to do with legislative affairs, and the public and the legislature, in fact, had it been generally known by all concerned, that that which was decided upon by a majority of the executive council would receive the undivided support of every member of this association, regardless of possible individual opinions to the contrary, much more could have been accomplished.

My suggestions may, at first thought, be considered radical; they may be thought to be more along theoretical than practical lines, but I am confidently of the opinion that we can select eleven bankers in the state—one from each group—men known for their organizing ability, and through proper effort bring about such organization as I suggest. I am further confidently of the opinion that if we should develop such effective organization and through it "uniformity of action" on every important question that concerns the welfare of the members of this association, we would value our memberships so highly, we would gladly and willingly pay a greater sum annually to support the association than we are now paying. I am confident, too, that in such event, our membership would include every banker in Iowa instead of 90 per cent of them as is, I regret to say, now the case.

The details of the business of the association during my administration will be given to you through the medium of the reports of the secretary, the treasurer and the chairmen of the several committees.

I would call your attention to the showing that the burglary insurance and fidelity bond business placed through our association during

the past year, has been more than doubled and the commissions from this source are about twice what they amounted to for the preceding year. There is still room for greatly increasing this business to the advantage of members and with profit to the association, as there is less than one-half of the burglary insurance and fidelity bond business of the banks of the state placed through the secretary's office. I would urge upon the members the advisability of placing just as much of this class of business as it is practical for them to do through the association. Of course, I recognize the fact that in many cases, for reasons peculiar to the members' local situation, we cannot expect to handle all of the business; still, undoubtedly there is a great deal of it that could be written through the secretary's office with advantage to both the member and the association.

We have continued our membership in the Interstate Protective Association during the past year chiefly for the reason that we were already members prior to that time, and for the further reason that we were disposed to the opinion that there was a certain amount of protection afforded the members of this association by reason of that membership. I am disposed now, however, to the opinion that in view of the cost of that membership and in view of the efficient work of our secretary's office in apprehending a number of forgers during the past year, and in view of the further fact that the secretary keeps constantly in close touch with the movement of many known criminals, in so far as it is practical for him to do so, that we are not in need of continuing our membership in the Interstate Protective Association at its present cost. I would recommend that before it be continued or be dropped the advantage of continuing the membership at its present cost be carefully looked into by the incoming council, and at the same time, due consideration be given to the equipment of our own headquarters, now that it has been established for a year and proven of practical benefit, to protect our members as efficiently as we have been served by the Interstate Protective Association. I would recommend, too, that the advisability of offering small rewards for apprehensions of those committing fraud against any of our members, be carefully considered. I particularly refer to small rewards which might be offered to sheriffs and other municipal officers.

The officers of the association, the members of the executive council and the members of the taxation and legislative committee during the recent session of the legislature, gave much time to the consideration of certain proposed legislation and urged, with success in many instances, the adoption of certain remedial laws. As I have heretofore stated, they took an active and leading part in urging the repeal of the tax ferret law. I believe that the successful efforts of your officers, council and committees in promoting the repeal of that law were of great importance to the members of the association. Had it not been repealed, I am confident that the continued efforts of the tax ferrets under the old law, would have operated to the great disadvantage of the business interests of the state and would have found direct reflection in the deposits of the banks of the state.

The reduction of the tax on moneys and credits to five (5) mills was, I believe, a long step in the right direction and will result in much capital returning to Iowa that sought investment in states having more liberal laws than we had heretofore. Several instances are known where large sums have been returned to Iowa since the tax ferret law was repealed and the new law, providing for the five (5) mill levy, was passed. To have these funds returned is of no greater importance to the bank

than it is to every business man in the community in which such funds shall find employment. These funds enter into the channels of trade and people in all walks of life and business engagements share in the beneficial results that are bound to follow the employment of a greater volume of banking funds. It is quite within the possibilities that if no tax whatever were imposed on moneys and credits, the results would be proportionately more beneficial. Funds for investment will seek the most friendly localities, and taxing such funds in Iowa, when they can find equally desirable investment in another state without the imposition of a tax at all, will only result in such funds leaving Iowa.

Our efforts have not been as successful as we would like to have had them in securing the enactment of a law providing for satisfactory taxation of banking capital. All that could be done under the circumstances, was done during the recent session of the legislature to secure the passage of a law that would be satisfactory to all of the members of this association.

The taxation of bank stocks and the taxation of moneys and credits would furnish excellent subjects for discussion in our group meetings during the two years that will now elapse before the session of the next legislature. If we discuss these subjects intelligently and conclusively, with a view to reaching an equitable solution of them and not with a view to avoiding the payment of a just share of the expenses of government, reach a conclusion and see to it that the conclusion has the support of every member of this association as well as the support of all those we can summon to our aid, I am confident the result will be satisfactory.

The past year has been, in the main, a prosperous one. Our farms and fields have yielded abundantly. Our factories and industrial establishments have been well occupied. There has been a ready market for all of our products at profitable figures. It is true that there has been some slowing down in the general business of the country, but it must not be forgotten that such "breathing spell" periods are to be expected and have their beneficial effects.

Before concluding, I deem it my duty to call your attention to the proposal for reforming the banking system of the United States, submitted by the National Monetary Commission of congress. No suggestion made in years for reforming our currency system has induced

such widespread discussion or elicited such general interest as has this ingenious plan. The suggestions as made are entirely informal and no effort has yet been made to enact them into law; nor is it probable such effort will be made until the plan has been thoroughly and carefully studied. Bankers and other business men the country over are making such study of it now. They are endeavoring to familiarize themselves with its advantages and trying to determine the adaptability of its provisions. I do not consider it opportune for me to attempt its discussion at this time. I do, however, commend it to you and urge its careful study free from prejudice and with full appreciation of the benefits and consequences of its enactment.

In conclusion, I desire to acknowledge my appreciation of the assistance rendered and the uniform courtesy extended to me during my administration, by your former president, my predecessor, Mr. Stevens, your vice-president, Mr. MacKinnon, your secretary, Mr. Hall, by the executive council and by the chairmen and members of the several committees.

BANK DEPOSITS GROWING IN CHICAGO

The growth of Chicago as a reserve center is the talk of banking circles everywhere. Deposits in fifteen national banks in Chicago aggregate \$461,153,033, against the previous high record of \$452,642,062 at the call of March 7th, an increase of \$8,510,971, or 1.88 per cent. As against the call of June, 1910, deposits have increased 10½ per cent.

Changes in growth in the other items of the statements have been small. Loans increased \$5,539,617, or 1.77 per cent. Cash resources are relatively stronger, showing a growth of 3.69 per cent.

The Continental and Commercial National shows the largest gain in deposits, \$5,827,000. The Fort Dearborn made \$1,550,000 increase over March. The National City increased \$1,580,000, the Live Stock Exchange \$1,385,000, and the First National \$900,000. The Monroe and Washington Park National banks show record deposits, the former with a \$330,000 increase over March.

Comparison with June, 1911, is unsatisfactory as the call at that time came to the last day of the month, following an unexpected demand from the country which contributed to lowering deposits and loans.

The present call follows that of March by exactly three months, and the January call by exactly five months. The changes in the last ninety days, both in volume of business and in ratio to each other, have been less significant than in the first two months of the year.

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for week beginning Wednesday, May 31, 1911, and ending Tuesday, June 6, 1911, both inclusive:

Florida—Bowling Green, State Bank of Bowling Green.

Idaho—Richfield, First State Bank, Ltd.

Kansas—Cottonwood Falls, Chase County National Bank; Hazleton, State Bank of Hazleton; Topeka, Prudential State Bank.

Missouri—St. Louis, Night and Day Bank.

New York—North Rose, First National Bank.

West Virginia, Northfork, State Bank of Northfork.

Canada—Vancouver, B. C., Dow, Fraser and Company, Ltd.

The Boyce State Bank of Waxahatchie, Tex., has begun a new building which, when completed, will be one of the finest in that vicinity.

Diversified Investment

This Company suggests to careful investors the advisability of dividing their funds among bonds of various classes, in this way obtaining a well diversified investment. Investments made in this manner will possess the individual qualities of the respective classes in combination, thus making the investment well balanced. For instance, we own and offer a 5% railroad bond, a 6% short term note, a 4½% equipment bond and a 6% industrial bond, netting at present prices

**An Average Yield of
Over 5.35%**

We will furnish particulars of these on request.

Ask for our Circular D-124.

**Guaranty Trust Company
of New York**

28 Nassau Street

Capital and Surplus	-	\$23,000,000
Deposits	-	\$133,000,000

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital	-	-	\$2,000,000
Surplus and Profits			500,000
Deposits	-	-	23,000,000

WM. A. TILDEN, President
 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
 THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	.....	\$ 9,887,954.84
February 5, 1909	.....	11,617,691.24
March 29, 1910	.....	15,041,357.21
January 7, 1911	.....	16,736,997.29
March 7, 1911	.....	21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Farwell Trust Company

CHICAGO, ILLINOIS

DEALERS IN

BONDS

CORRESPONDENCE INVITED

ILLINOIS BANKING NEWS

By C. C. Burford

It is generally considered over the corn belt that the early crops of oats, wheat and hay will be very short. One of the best counties was said to be promising only twenty bushels of oats to the acre and this can be expected since there are many fields in that county which have received no rain for as much as seven and eight weeks. Straw will be very light and hay very scarce. It is believed that corn being deeper rooted has not suffered greatly and that with later rains will do well. The effect upon bankers will be obvious as farmers will in many cases be disappointed in their "early money" as the returns from oats and hay are called. As one country banker expressed the situation, "my fellows will mostly want to renew." Corn will be the crop of promise if favorable weather conditions prevail.

Monticello Banker Dead

John N. Dighton, Sr., president of the First National of Monticello and one of the leading farmers and stock raisers of Piatt county is dead at the age of fifty-four years. He owned 500 acres of excellent land besides property in Monticello. William Dighton, vice-president of the same bank, is a brother.

Mattoon Bank in New Home

The Mattoon National has removed into its new well equipped banking quarters. The cash and the books of the bank were removed to the new location under heavy police protection and the old room was soon turned over to its new owner. After July 1st the new banking rooms will be occupied by the First National which is to be the consolidation of the First National with the Mattoon National. The business of the Mattoon Trust Company will not be pushed extensively and will await the success of the new consolidation.

Illinois Notes

The State Bank of Sidney, a new institution which opened its doors about May 1st, has shown the right spirit in joining the Illinois Bankers Association. Another new member of the Association is the Bank of Ludlow.

Blue Island, Harvey, and Savannah are among the new postal banks for Illinois. Three a week are now being established in the state.

Deere and Company, the gigantic farm implement combination of Moline, has certified to the secretary of state that its capital would be increased from \$50,000,000 to \$65,000,000.

A. R. Dow, cashier of the First National of Geneva, was injured recently when an automobile in which he was riding crashed into a bridge post.

The Palmer National of Danville, which has recently fitted up one of the best banking rooms in eastern Illinois, reports deposits of \$677,198, and loans and discounts of \$709,469.

L. K. Scroggin, president of the bank of Scroggin and Sons of Mount Pulaski, was re-

cently removed to his home in that city from the Springs at Kramer, Ind. In spite of his age of ninety-two years Mr. Scroggin is now improving in health. He is one of the oldest bankers in the state of Illinois.

FIRST NATIONAL BANK OF DENVER

A. V. Hunter has been elected president of the First National Bank of Denver, Colo., succeeding the late D. H. Moffat. Thomas Keely continues as vice-president of the institution, and F. G. Moffat, who has been cashier, also becomes a vice-president. Changes in the directorate which follow the recent acquisition of a controlling interest in the bank by Hayden, Stone & Company, include the election to the board of Charles Hayden and J. A. Hayes and the new executive, A. V. Hunter. President Hunter is also president of the Carbonate National Bank of Leadville, Colo., and Mr. Hayes, one of the new directors, is president of the First National Bank of Colorado Springs.

F. E. FARRELL Established 1864 E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers
 Successors to First National Bank
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Capital and Surplus \$337,500.00

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 A. J. Earling John S. Runnells

John A. Spoor, David R. Forgan, Resident Directors
 Walter H. Wilson S. M. Felton George M. Reynolds

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The Rookery Chicago

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OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,446,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,127,000.00

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John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

Deposits over - - 24,000,000

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L. A. GODDARD, President

JOHN R. LINDGREN, Vice-President

HENRY A. HAUGAN, Vice-President

HENRY S. HENSCHEN, Cashier

FRANK I. PACKARD, Asst. Cashier

C. EDWARD CARLSON, Asst. Cashier

SAMUEL E. KNECHT, Secretary

WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



IF YOU HAVE NO CORRESPONDENT IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



At Hot Springs

Oliver J. Sands, of Richmond, leads in the discussion of Topics interesting to Virginia bankers in an address of rare merit. Pays tribute to Morgan

In my endeavor to present for the consideration of this body the matters of interest to Virginia bankers, I have found myself so deeply involved with the numerous subjects and the great diversity of things, in which we are and should be interested, that I am overwhelmed.

It therefore, seemed to me to be proper that I should simply outline a few subjects, and that we should consider and discuss them together, in order that we might get the views of our members from all sections, and that we would become more interested in solving some of the problems, which have for their purpose the improving of the banking business; the commercial development of the state, and the prosperity of our people.

The issue paramount at this time, and in which we should be interested; first, as citizens of this great country and second, as bankers, is the reform of the banking and currency laws.

This matter has been handled before you by the ablest of men in this particular line. It has been discussed at our convention for years.

In my address as president of this association in the year 1903, I was bold enough to make some observations on the subject.

This plan of reporting everything that is said at these conventions and printing it in permanent form, has some redeeming features I will admit, but it has some very embarrassing features also which we are bound to recognize when we read views expressed by us years before.

I seriously question the probability of this country ever being able to adopt a radical revision of the financial and banking system all at one time. We may believe that such a law

should be passed, and agree upon all the features of the law; still under our system of government, with the temper of our law-makers, and the people stirred by a sensational and yellow journalism, it appears to me to be almost a hopeless task, and one that may only be accomplished through the aid of some terrible financial depression, which will bring the entire business and working element of this country to its knees. Then the people will rise in their might and demand from their representatives such a law as will make it possible to avoid the repetition of these periodic panics, which carry in their wake so much human suffering. What suffering is compared with it? Through no fault of theirs bankers become old and decrepit, paralyzed and mentally incompe-

tent almost overnight;—business men of high character and standing embarrassed, discouraged and helpless—laboring men and their families in want, and our great country disgraced in the eyes of the whole world. What suffering I say compares with it?

I have seen men suffer, and I have no doubt, other bankers here of long experience as officers will bear me out in the statement, more on account of financial loss and business failure than I have ever seen them suffer on account of any other trouble, which they are called upon to bear.

The 1907 panic brought more gray hairs than are produced in ten years under ordinary business conditions. These conditions are brought about by numerous and varied cause; the cause may be in New York, in San Francisco, or some other section, the effect is country-wide, and the innocent all over the land suffer because of the indiscretion or an accident, which has occurred, and which really involved only a few in the beginning.

Don't understand me to say that I want this revision to be brought about at such a cost—may the Good Lord protect and preserve us from such a thing. I do, however, believe it is necessary to consider the awfulness of these things while conditions are good and times are prosperous.

This reform can only be brought about through the efforts of our business men, and not until they are stirred to action will we secure such remedial legislation as will enable this country to successfully ride the waves of adversity and commercial depression. Much is needed to impress those interested in banks with the importance of this subject. Bankers as well as merchants, get so busy looking after

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customers and getting new ones, that they put it off, and leave this subject to be taken up at some future day hoping that our servants in congress—few of whom are practical business men—will devise something to protect them, or that the thing will never occur again.

Like the lazy farmer—when the skies are clear, the roof does not need mending, and when it's raining and the roof leaking it can not be fixed—so we drift. While much should be done to make the banks take up this matter, still more is needed to impress the business man, and I think that Mr. Vreeland and other prominent men should give most of their time to the presentation of this subject to the commercial element of this country, rather than to the bankers.

We bankers, I am sorry to say, are not deep students of this subject, most of us are employed by our banks to perform specific duties. The banks are owned by a number of shareholders. It is our business to earn dividends and make the best out of what is put in our hands, and we don't bother ourselves much about the great questions of financial laws—economic principles, etc., etc.

My purpose is to talk plain, to bring out cold facts as they have appeared to me after twenty-five years of experience and observation. Are these facts not rue?

We are all endeavoring to discharge the duties imposed upon us with fidelity, and to get the best results for our stockholders, but we are inclined to be satisfied with what we have now, for fear that any change in laws might effect our business in some way so that it would be less profitable.

We, as a class, are narrow and timid. Our present system makes us cowards—we are afraid to say the currency laws need revision, because of the fear that the public would lose confidence in banks—the slightest suggestion under our present system, might bring trouble that will cause us to run to New York and beg for help—if New York is able and inclined to get it, otherwise—"Good Lord deliver us."

How many of our directors have even felt

sufficiently interested to read the proposal of the monetary commission? I have no doubt that many bankers could be found that have not read it, and few that can discuss it intelligently. It seems to me, therefore, that it is perfectly natural that the commercial interests of this country should be most interested.

Bankers, for the most part, have a way of taking care of themselves—everyone else, most properly should suffer before the banks, as its depositors must be protected, and the borrower suffers the most. The business man is the hindmost and the devil gets him.

Don't understand me to say that the National Reserve Association is the only way, or that any law can be framed that will be an absolute preventative of business troubles and depressions.

I do say that there hasn't been a serious panic in England in fifty years, and that no other civilized nation can suffer as we are called upon to suffer under our present system.

It is a positive crime to permit the present
(Continued on page 11)

CHICAGO STATE BANKS GROWING

Aggregate figures for the fifteen national banks and fifty-five state banks of Chicago show total deposits of \$940,869,980, an increase of \$35,327,606, or 3.91 per cent, over the previous high record of last March. The reports sent in answer to the calls of the comptroller of the currency and the state bank examiner show a tendency to pile up cash resources, which gained 5.34 per cent in the quarter, while loans increased 3.19 per cent.

The more marked changes were in the reports of the state banks, which established a new high record in deposits, considerably over the national bank totals, and 5.94 per cent above the former record. Loans increased 4.79 per cent and cash 7.43 per cent.

Of the individual banks the Merchants Loan and Trust shows the largest gain in deposits, \$5,280,000. The Continental and Commercial Trust and Savings grew \$3,230,000; the First Trust, \$3,800,000; Illinois Trust, \$1,780,000; Central Trust, \$1,650,000; Union Trust, \$1,600,000. The People's Trust and the Standard Trust, organized last summer, showed gains respectively of \$1,140,000 and \$1,550,000. The Hibernian deposits are up nearly \$1,000,000 and Colonial \$940,000.

Since the last call one state bank has gone, the Railway Exchange, which was absorbed by the People's Trust and Savings. The following new banks appear:

American State, Douglas State, Fort Dearborn Trust and Savings, Home Bank, Lake View State, Midcity Trust and Savings. The Calumet Trust and Savings is included since the entrance of its territory, Morgan Park, into the city of Chicago.

JOHN D. RYAN SUCCEEDS PAUL MORTON

Mr. John D. Ryan, president of the Amalgamated Copper Company, has been elected a director of the Guaranty Trust Company of New York to fill the vacancy caused by the death of Paul Morton.

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CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

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FRED'K KASTEN, Vice-President	W. L. CHENEY, Asst. Cashier
HERMAN F. WOLF, 2nd Vice-President	WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit	Frederick Kasten	R. W. Houghton	Oliver C. Fuller
Herman W. Falk	Geo. D. Van Dyke	Gustave Pabst	Charles Schriber
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

OFFICERS

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FRED. C. BEST, Secretary	R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit, Chairman	Frederick Kasten	R. W. Houghton	Oliver C. Fuller
Herman W. Falk	Charles Schriber	Gustave Pabst	Gardner P. Stickney
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	Clement C. Smith

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Publication of the statements of Milwaukee banks, both national and state, showing their condition at the close of business, June 7th, shows that the national banks report a loss in both deposits and loans since the last statement issued March 7th, while the state banks show a slight gain. Expressed in figures the national banks show a loss in loans during the three months amounting to \$2,209,561 and a loss in deposits of \$2,883,495. The deposits of the state banks show a gain during the same period of \$1,203,021.

The cashier of one of the larger national banks is quoted as saying: "Banking business is quiet now. There is only moderate activity. We find good demand for money among country banks with their farm customers who are actively engaged. The farm outlook is so favorable that farm prosperity and farm buying of goods is to be expected. Merchants in Milwaukee have also depleted their stock for months. They have been buying from hand to mouth and the time must come when these bare shelves will be replenished, which will mean a revival in manufacturing lines. The rest of the year promises to be good in a business way. Trade should improve from now on through the summer and fall. We look for a steady growth in trade activity but not any quick boom which would do more harm than good."

State Banks in Good Condition

The state banks of Milwaukee are showing a good growth. Loans show a gain of 1 per cent; deposits, 5 per cent; cash resources, 14

per cent, and total deposits, 5 per cent. Among the big deposit gains in the state banks since March 7th, Marshall and Ilsley shows 1 per cent; Badger State Bank, 12 per cent; Mitchell Street and Second Ward banks, each 9 per cent; German-American and Merchants and Manufacturers banks, each 2 per cent.

Bankers Move to Insure Deposits

The first definite step in the movement to organize group clearing house associations and secure mutual insurance for Wisconsin banks was taken at the meeting of Group One, Wisconsin Bankers Association, at Rice Lake, June 7th.

At this meeting a committee consisting of two state bankers and one national banker was appointed to consult with committees from other groups. A plan for the examination of banks under the supervision of the Wisconsin Bankers Association similar to that in use by the Milwaukee Clearing House Association, with its insurance feature in addition, is what is wanted by the bankers.

A resolution was also adopted at this meeting in which the bankers recommended that the legislature postpone action on the Owen bill until the bankers might submit a satisfac-

tory solution of the problem, or until some of the various guaranty plans now being experimented with be found practicable. The resolution was adopted unanimously.

The so-called "Owen" guaranty bill obliges the banks to guarantee each others' deposits with no opportunity of securing information as to the financial standing of the banks guaranteed. If the plan now being discussed by bankers is adopted members will have their own examiners make frequent examinations, and if the bank's condition does not warrant, no bank will be eligible to the benefits of the insurance feature.

Reynolds to Speak in Milwaukee

Through the courtesy of the Wisconsin Bankers Association the business men of Milwaukee will be given an opportunity to listen to the address of Geo. M. Reynolds, president of the Continental and Commercial National Bank, of Chicago, before that association on the subject of "Currency Reform the Paramount Issue."

Mr. Reynolds' speech will be of unusual interest, both because of the subject to be discussed and because of the prominence of the speaker. The address will be given on the afternoon of the first day of the seventeenth annual convention of the association to be held in Milwaukee, July 12th-13th, and the auditorium of some one of Milwaukee's theatres will probably be rented so that all may have an opportunity to hear the Chicago banker.

The convention, itself, bids fair to pass into history as one of the most successful ever held

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The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

by the association and the prominence of the speakers who will appear upon the program insures a large attendance from all parts of the state.

The morning of the second day will be given up almost entirely to a discussion of agricultural topics as the bankers believe that more publicity and a better understanding of the vast agricultural possibilities of this state should be had. The principal speakers will be W. H. Mylrea, secretary of the Wisconsin Advancement Association, and Prof. R. A. Moore, of the college of agriculture at Madison.

Group Three at Green Lake

The other groups of the State Bankers Association will have to look to their laurels if Group Three does not carry them away this year for a glance at the program of the seventh annual meeting of this group which will be held at Green Lake, June 21st, shows most excellent judgment on the part of the committee who prepared same.

The meeting will be held under the auspices of the Green Lake, Berlin, Princeton and Markesan banks and nothing which could be thought of to make the stay of visiting bankers enjoyable has been overlooked. The session will cover two days, the program for the first days being as follows: Call to order, Ernest J. Perry, president of the group and cashier of the First National Bank, Fond du Lac; address of welcome, C. S. Morris, president Green Lake State Bank; response, Adolph Pfister, cashier Bank of Sheboygan; roll call, to be responded to by answering the question "Why Am I Here?" Annual address of group president; report of secretary-treasurer, E. R. Williams, cashier Commercial National Bank, Oshkosh; address, Honorable J. H. Davidson, Oshkosh; paper—"Bank Examinations," Louis Schriber, cashier Old National Bank, Oshkosh; remarks, Chas. C. Brown, president Wisconsin Bankers Association, Kenosha; remarks, "What Has Wisconsin Bankers Association Accomplished This Year?" George D. Bartlett, secretary; general discussion.

The morning of the second day will be given over to listening to papers by J. W. Hansen, cashier Citizens State Bank, Sheboygan, and W. R. Dysart, assistant cashier First National Bank, Ripon, after which the annual election of officers will be held.

A boat ride at 11 o'clock followed by a fish fry at the head of the lake is also one of the features of the day.

AT HOT SPRINGS

(Continued from page 9)

conditions to continue. It should be considered the most important thing before the people to-day--of even more importance than the investigation of everything and everybody, who has had something to do with the wonderful progress and development of this country during the past decade.

We should make our policies constructive, not destructive, so that in banking and in all other forms of business and commercial life, we can assume the position in which our God-given opportunities and resources have placed us;—the forefront of the nations of the world.

Now, to the point of getting a general revision all at once—it may be done—I am willing that it should be, but I am doubtful of its accomplishment.

If something could be devised which has for its object the final adoption of a complete system, the first step taken by this congress, the next by a future congress, after proving the first, something may be done. This appears to me to be the practical way—but not necessarily the best.

We should not fear a national reserve association or a central bank properly organized.

We have to-day a centralization of the money power of this country, not equaled or possible in any other great nation. Through its wonderful control of the vast wealth and its unlimited ramifications and connections with the railroads, manufacturers, banks and natural resources, there is not a village in the whole country that can not be made to feel its power in a moment, and we could all be crushed as an egg shell.

Fortunate are we that this great power is presided over by that wonderful man of character and patriotism, a man to whom history, I believe, will give credit as being one of the greatest constructive geniuses and best citizens, of all ages.

But gentlemen, beware of that power if it falls into the hands of a different type of man. Mr. Morgan is an old man—we can't afford to run the risk of delay—his present power and influence is much too great—greater I think, than the best informed of us have any idea of.

If we can get the people stirred and interested, I have little doubt as to a bill reasonable and safe being evolved. The matter therefore, I suggest for your consideration and discussion is how to get the people, bankers and business men to take a real live interest in this subject, so that some action may be forced at an early date, while the country is enjoying a period of financial confidence and general prosperity.

A. B. A. CONVENTION DATE CHANGED

It has been announced from New Orleans that the A. B. A. convention date which had been fixed for November 13th will be one week later, November 20th. This has had the approval of General Secretary Farnsworth and will give northern bankers just time to get home comfortably for Thanksgiving. The chief hotels have been "oversubscribed" and delinquents in the reservation line will be heard from later. The big Train de Luxe from Chicago is two-thirds full. Get your name on the list.

BANK WINS SUIT

McKinney, Texas.—The suit of Baker Bros. against the Continental State Bank of Prosper for \$7,500 damages for alleged failure to pay certain checks and account for certain drafts when the plaintiffs had money in the bank was decided in favor of the bank to-day.

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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, June 15.—Wide diversity of opinion still exists among St. Louis bankers as to the monetary situation. In certain quarters some improvement is reported, while elsewhere the situation is summed up as "distressingly slow." While the inquiry from the country has doubtless picked up during the last two weeks, it is still not what was expected for this particular time. There is a disposition to hold off, owing to uncertainty which exists on account of crops. Experts in this region are hopeful enough about the total wheat yield, but the drought and unusual weather early in the month have caused apprehension, and revived ultra conservatism. Crops other than cereal are not so promising as early in the season. Dry weather has lessened yields of produce, and prospects for future outturns. Farmers are not disposed to be so hopeful, especially that portion which raises a diversity of crops. Shipments of currency and gold to the interior this week have been fairly large, and good engagements are reported for next week, but the volume of this movement so far this season has fallen below what was anticipated. General business in the city in certain lines has picked up since the first of June, and unless crops are very disappointing, this betterment is likely to continue. The wholesale district reports good sales, though the outlook for fall trade is not quite so rosy as it was this time last month. Tonnage of railroads centering here shows good gains since the first of the month. The adjournment of congress, and disposition for a time at least of the unsettling questions up before that body, is expected to have a refreshing effect upon general business.

Cash Reserves Unusually High

The most striking feature of the call for statements on June 7th with the St. Louis banks was the enormous cash reserves. Compared with a year ago the cash and exchange item shows an increase of approximately \$20,000,000. The deposits gained something over this sum, while loans and discounts were only about \$4,000,000 over a year ago. Compared with March 7, 1911, the cash and exchange shows a decrease of about \$4,000,000, which is due to the demands of country banks, and withdrawals made by the City of St. Louis and Board of Education. On the whole bankers consider the showing made quite unusual, and eccentric financial and commercial conditions are reflected by the totals. The low interest rates have kept local bankers from pushing a very vigorous campaign to reduce their reserves. There is little profit in the present range of rates, and bankers handling the agricultural business have preferred fortifying

themselves against the movement, rather than put out a lot of money now at a low and unprofitable rate. Some banks show loans pretty well down to reserve requirements, but these are the exceptions. One thing manifest is an exceptionally strong position. The financial institutions here are most certainly in condition to cope with demand which increased commercial activities or a bumper crop make upon them, and while heads of the institutions would like to be doing a heavier business, they are fairly well content, and argue that the present statement should banish any vestige of lack of confidence.

Summer Disbursements will be Large

Holders of securities listed on the St. Louis Stock Exchange will get a nice thing in the way of vacation, or summer dividends. Of the stocks listed about \$3,508,600 will be paid, and interest on bonds will total nearly \$1,800,000. The banks will pay out to their stockholders \$767,000 and the trust companies \$490,000, making a total of \$1,257,000. The dividends of other concerns will amount to \$2,251,000. It is difficult to form an estimate on unlisted corporations, but as only a small percentage of the corporations are on the list, the outside total will run vastly over the sum paid by corporations whose securities are traded in in this market.

Merchants-Laclede Celebrates

The sixteenth anniversary of the consolidation of the Merchants National and Laclede National banks, forming the Merchants-Laclede National, was celebrated by the officers and directors of that institution this week. It is the annual custom to commemorate this event with a dinner and entertainment, one of the vice-presidents or the president being host. The host this time was Governor D. R. Francis, and the dinner was at the Log Cabin Club. In the afternoon there was an exciting golf match, in which Benjamin McKeen outclassed his opponents and was declared victor with loud ac-

claim. The trophy was a cup, the most beautiful ever given in a golf tournament in this city—so far as the case was concerned. The case was of Morocco leather and plush, fastened with gold clasps, but the cup which it contained could have been duplicated at any hardware for 10c. Upon the tin was engraved: "To the Champion Golf Player of the Merchants-Laclede National Bank Board of Directors."

Windfall for St. Louis Banks

Within the next few days State Auditor Gordon of Missouri will refund money advanced by them for the support of the state board of immigration during the biennial period. The perfect the appropriation left the commission without funds, and the banks of St. Louis, Springfield, and Kansas City patriotically came to the front and supplied the needed money, taking the risk of the legislature reimbursing them. St. Louis banks put up \$9,346.97; the citizens and banks of Springfield \$8,333 and the Kansas City banks \$6,500. The St. Louis money was distributed as follows: National Bank of Commerce, \$2,622.42; Commonwealth Trust, \$133.10; Franklin Bank, \$212.96; German Savings Institution, \$292.82; Mechanics-American National, \$984.94; Mercantile Trust, \$771.98; Merchants-Laclede National, \$533.67; Mississippi Valley Trust, \$718.74; St. Louis-Union Trust, \$958.32; South Side Bank, \$79.86; Third National, \$1,038.18. In addition to these amounts, John H. Curran, Chief Immigration Commissioner, obtained \$200 each from the following institutions before the general loan was made: Mercantile Trust; Merchants-Laclede National; Mississippi Valley Trust; National Bank of Commerce and Central National, which will also be paid.

Jefferson Bank Elects Bullock

At its annual election this week the Jefferson Bank made one change in the vice-presidents. Richard B. Bullock was elected vice-president to succeed J. F. Conrad. The officers re-elected are: W. H. Steele, president, Henry Wood and E. M. Woolger, vice-presidents and H. W. Kroeger, cashier.

CLEVELAND CHAPTER

The Cleveland Chapter of the American Institute of Banking has elected the following officers for the ensuing year: President, Louis J. Kaufman, Guardian Bank; vice-president, Charles F. Thie, Jr., Citizens' Bank; secretary, C. W. Stansburg, Garfield Bank; treasurer, B. S. Chamberlain, Citizens' Bank. As members of the board of governors the following were elected to serve two years: F. L. Archer, H. D. Cozad, E. L. Geffine, W. H. Kinsey and P. J. Slach.

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\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
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D'A. P. COOKE - - Assistant Cashier

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THE FIRST NATIONAL OF MARQUETTE

The First National of Marquette is one of the important banks of Michigan. L. G. Kaufman, head of the big Phenix and Chatham National, New York, still is its president. Edward S. Bice is its executive vice-president and has had great success in this capacity. Charles L. Brainerd is the cashier. Deposits are very close to two millions and growing.

A number of years ago it occurred to an officer of the First National that if people could buy by mail satisfactorily, they could bank by mail, and if large transactions could be conducted between banks by mail, smaller transactions could be so conducted between customers and the bank. A system of banking by mail was therefore inaugurated and to-day the bank has a great many banking by mail customers who reside miles from it and who are obtaining as satisfactory service as though they were able to come to the bank in person. It is the modern method of banking, say the officials.

WORLD'S GOLD PRODUCTION

Production of gold by the various countries of the world, according to the London Economist, reached the total value of £93,355,863, or, at the rate of \$5 per pound, the equivalent of \$466,779,315. This total includes an estimated output of Russia, whose figures are not available for 1910. Of this total, the British Empire produced 56.7 per cent valued at £52,927,842 (\$264,634,210). The United States produced 20.6 per cent, or more than one-fifth of the world's production. The largest increase in amount in 1910 was in Russia, where there was a gain of \$5,958,890, or 22.1 per cent. Australasia as a whole lost 7.8 per cent, Africa gained 2.4 per cent.

Greenebaum Trust

The famous private banking house of Greenebaum Sons, Chicago, has converted to a trust company and goes under state supervision which it appreciates and endorses.

The Greenebaum business was started in Chicago more than sixty-five years ago when on January 1, 1855, Elias Greenebaum opened his investment and real estate mortgage busi-

ness office. The founder of the business, though 89 years of age, still takes active interest and is at the office part of every day. He is the father of Henry E., Moses E. and James E. Greenebaum, members of the firm since 1877. In addition there are four grandsons also in the business.

The investment and mortgage business is one of the chief activities of the bank. The firm has underwritten numerous issues of securities and there are now outstanding in Chicago \$100,000,000 of first mortgages which it has negotiated.

Greenebaum Sons Bank and Trust Company, is the new title, which starts with an excellent business that has been built up by the members of the Greenebaum family since the foundation in 1855.

The capital stock of the incorporated bank is \$1,500,000. The active management will continue in the hands of members of the family who have been in charge for years. Some influential outside interests have been admitted as stockholders, however, and these will be represented on the board of directors.

The officers and directors are announced as follows:

President—M. E. Greenebaum.

Vice-President—Henry E. Greenebaum and James E. Greenebaum.

Cashier—Walter J. Greenebaum.

Assistant cashier—Milton E. Falker.

Directors—M. E. Greenebaum, H. E. Greenebaum, J. E. Greenebaum, A. G. Becker, W. N. Eisendrath and H. L. Stern.

INDIANA CONVENTION

Andrew Smith notifies that the dates for the Indiana convention have been definitely set for October 25th and 26th.



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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The bank call of last week found the banks in Kansas City and vicinity short in deposits as compared with recent statements. "Three is nothing discouraging in that," says E. W. Moore of the Pioneer Trust Company. "Such is to be expected here at this time of year." The cause is laid to the shortage in country bank balances.

Conditions Good

Money is easy and the rates good in Kansas City. In some quarters is heard a complaint over the lack of demand. Inquiries, however, have been had from Texas and Oklahoma looking forward to the time when the movement of crops shall demand much cash. Such demand will not be made for at least thirty or sixty days and the banks of Kansas City, Wichita, Omaha and other Middle West cities are reported to be amply able to take care of it.

Continued Drouth

Continued drouth in Kansas and Missouri and sections of Oklahoma has caused not a little anxiety for wheat and corn. Reports from central Kansas have it that corn is very backward and the leaves curl like a lead pencil in the middle of the day. In that section wheat will be a crop but other products are greatly in need of rain and the crops are in jeopardy. Quoting from a letter written by a Central Kansas banker to a Kansas City correspondent: "The current of money in Middle Kansas is against us. Cattle are not being marketed and automobiles are being bought by the score. The farmers are frightened in a measure over the growing crops and looks as if there is nothing left for us to do but return to making real estate loans again." Wheat has been made in Southern Kansas

and a fair yield expected. Advices from McPherson, Ellsworth, Rice, Barton and Marion counties in Kansas show that wheat and corn will be good crops. In the northern section of the state the dry weather has caused hope of crops to be abandoned. The same is true of a number of the southern tier of counties in Nebraska.

That the wheat yield of Oklahoma this year will amount to but about 8,000,000 bushels as against 26,000,000 in 1910 is the general opinion among grain dealers in that state. On May 25th when the last monthly report of the Oklahoma State Board of Agriculture was sent out, the growing condition of the wheat throughout the state averaged 53 against a normal 100. The secretary of the department says he sees no reason at this time to revise those figures. The 1910 crop was far above the normal.

Banking Notes

Gordonville, the largest village in Grayson county, Texas, is to have a state bank with a capital of \$10,000. The officers: H. C. Sanderson, president; J. A. Lloyd, vice-president; C. M. Zeigler, cashier.

Municipal business of Oklahoma City is suspended pending the inventory of the effects of city by order of the newly elected commissioners and the auditing of the books and records turned over to them by the city council. The work will be completed in about two weeks.

Brady, Tex., has voted \$75,000 in bonds for road improvements.

The \$75,000 issue of waterworks bonds voted by Nowata, Okla., have been sold at a

premium to Spitzer, Rorick and Company of Toledo, Ohio.

President Claude D. Rorer of the Oklahoma State Bankers Association has appointed the following members of the executive advisory committee as provided for under a resolution recently passed by the association: Charles E. Davis, of Elk City; O. J. Fleming of Enid; E. H. Emmerson of Sparks; I. H. Nakdimen of Salisaw; B. R. Brundage of Tishomingo.

H. C. Nicholson, formerly of South Omaha, has been appointed a state bank examiner by Governor Aldrich of Nebraska. He succeeds C. W. Irwin of Omaha, who resigned to accept the cashiership of the Corn Exchange National Bank of Omaha.

Following an application in person Monday night by President Bush of the Missouri Pacific railroad, together with W. D. McHugh and other officers of the road, the Nebraska railroad commission in Lincoln granted the right to issue \$20,000,000 in notes for permanent improvements. The commission issued an order August 9, 1909, authorizing the Missouri Pacific to issue \$83,251,000 of stock in exchange for capital stock of the consolidated lines of the company. President Bush announced that the expenditure in Nebraska would be for the improvement of the right-of-way and that no extensions of the road would be attempted.

St. Joseph, Mo., plans to merge its leading commercial clubs into a central body by the amalgamation of the Commercial Club and the Ad Club.

The First National Bank of Loveland, Ohio, has been placed in voluntary liquidation.

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William A. Law to Pennsylvania Bankers

Philadelphia, June 15.—The address of President William A. Law, of the Pennsylvania Bankers, last week is a most able and unusual document. He said in chief:

I bid you welcome to this hospitable city. Everyone who has a hobby can ride it here. If you are interested in any form of sports, you can here find congenial comrades. If your inclination is toward the study of architecture, art, literature, the drama, you can pursue them here. If you turn to civic activities or the great humanitarian and charitable movements, you will find companionship of kindred spirits in this cultured and kindly community. But do not imagine that you can imbibe Philadelphia's real life or discern its charm or realize its beauty by a hasty and superficial view. Abundant leisure is required to understand and appreciate what Philadelphia is and has.

One of the distinguishing characteristics of "Financial Philadelphia" is the elaborate machinery here provided, not for the handling of commerce, but for the care and maintenance of accumulated wealth in the form of trust estates. In most American communities the usual process of acquisition by one generation and dissipation by the next is so frequent as to be proverbial. Here the reverse is the rule. We take pardonable pride in the skill, conservatism and fidelity of our great trust companies. We have strong hopes of soon welcoming them into full clearing house membership.

This is your city, and among the most valued assets of its banks are the confidence and friendship of the interior banks throughout the commonwealth.

Though twenty-ninth in area and second in population, Pennsylvania still leads all the other states in the number of its national banks. One would have to search the country far and wide to find better managed institutions than the old established banks in the smaller cities and towns in Pennsylvania. They operate in strict accord with the spirit of our banking laws; they serve their communities wisely and faithfully, keeping their assets clean and liquid. They diversify their investments; they carry strong reserves, loaning

money rather than borrowing it. They are strictly economical in their expenditures and are thus models for the banks in similar towns throughout the country. The comptroller of the currency has wisely put an end to the operations of bank promoters, and state banking departments nearly everywhere are co-operating with him. This removes an element of danger and a source of waste, as banks were being planted where they were not needed and thus established business was being rendered unprofitable.

Election results last fall practically struck a new keynote in politics. With the passing of once popular actors came the entry of several new figures upon the stage. In each party some of the more prominent aspirants for political honors to-day are advocating measures tinged with extreme radicalism if not actually socialistic. Party lines have shifted substantially, and party principles are less clearly defined for the time being. The voice of the insurgent is heard in the land. It is difficult to predict how much farther we are going to swing toward socialism and away from the in-

dividualism that has made the United States what it is.

Pennsylvania's principal concern in these political changes is, of course, with the matter of future tariff revision. When we count those of our population who own manufacturing plants; those who operate them; those who furnish them raw material and fuel; those who finish, transport, and distribute their products, we have enumerated a large percentage of the people of our state.

The year has been marked by a return to the idea that government bonds must be sold at a price comparable with that of other high grade securities and on intrinsic merit, and must not depend for their absorption in the markets upon special privileges granted to national banks to induce their purchase as a basis for additional circulation. That market has about reached the saturation point. Thousands of national banks have heretofore sustained substantial losses in their patriotic endeavor to co-operate with the treasury department in buying United States government bonds when issued. The difficult task of the present secretary of the treasury was not only to open up a new market, but to obtain congressional authority to increase the interest rate and simultaneously to preserve existing values of older issues for the protection of present holders.

The recent efforts of the administration to obtain the congressional enactment of an agreement providing for Canadian reciprocity have opened up a new field of high commercial importance. The proposition for closer trade relations with Canada and the removal of artificial barriers between these two sister countries, appears to have met with popular favor. But all legislation of this sort, just as all tariff revision, affects values temporarily at least, and entails uncertainty and hesitation among some of our mercantile and manufacturing customers.

The last year has been marked by prosperity among farming interests, by exceedingly high commodity prices for most of the necessities of life, and by record foreign trade balances
(Continued on page 30)

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Editorial Comment

ADVANCED IDEAS IN ORGANIZATION

Those who have in hand the remodeling the constitutions of state bankers associations or of shaping the policies of an organization will do well to study the address of President John McHugh at Mason City. Good bankers often hold these honorary positions but good organizers with political and state craft instincts are scarce. Mr. McHugh makes a strong plea for united action on the part of the membership of the state association and outlines how could be brought about. He also tells a few of the instant and certain advantages of such an organization and it's certainly worth while.

Coming from the head of the great Iowa association gives his plan prestige. Heads of associations for 1911-12 could do no better than to adopt Mr. McHugh's recommendations. Certainly there ought to be some way of determining the will of the majority of a state association. In legislation work this especially is necessary. Some states have left this sort of work to volunteers who have appeared upon every occasion, upon all sorts of questions and without credentials. Little wonder they are so little heeded. The wonder is that they are listened to at all. The new Iowa plan is to have the sentiment of the association originate in the groups and from them to concentrate in the council, which will hold regular, frequent meetings. The voice of the association then will mean something.

It isn't too late to use some of Mr. McHugh's excellent ideas in revamping the Illinois constitution.

PRIVATE BANKERS UNDER SUPERVISION

After many futile attempts to protect the public against irresponsible private banks, the New York Assembly at Albany has passed the Sullivan-Foley bill. Heretofore the private bankers have been strong enough politically to either kill the bill or nullify it by amendment. This time these tactics failed just as they always must fail when the public finds out how the poor continually are robbed of their savings by incompetent or dishonest "bankers." In the New York situation, the unscrupulous foreign banker, just as was the case in Pennsylvania, was the real cause of war. The new act is intended to curb them, particularly in lower East Side, New York, and in the mining districts, and yet it was given power and was intended to bring private "banks" under the supervision and control of the state banking department. It also requires foreign banks to conform to the rules and restrictions of the state banking department. There was opposition to the bill at the time of its introduction, but Senator Sullivan met these objections by introducing a measure in which are two sections, providing that no foreign banking cor-

The Chicago Banker

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SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

poration except a national bank shall transact business in the state unless the corporation is authorized by its charter to carry on such business in the state or country where it was incorporated, unless the actual value of the assets "is at least \$250,000 in excess of liabilities, and unless it shall have complied with all the provisions of its charter and the laws applicable to it, and shall have received from the state superintendent of banks a license to do a banking business in this state."

There was not one vote recorded against the bill. Pennsylvania passed such a bill and Illinois should take courage.

LABOR'S ORDEAL

Union labor is undergoing an ordeal in Chicago, almost entirely and selfishly self-inflicted. Not the sluggings, murders, and cruelties alone, but the rivalry in jurisdiction is the chief cause of a deeper trouble—that of income. The mothers and the children of the unemployed suffer at every walkout. They skimp and starve through every strike. The original aims of organization were to increase wages, shorten hours of toil and to better the conditions of employment, such as discharges without cause. Most of us sympathized with these and for a time they only were the causes of strikes and disputes between employer and employee. To-day most of the strikes and walkouts result from a contest of "business agents" as to which union shall do the work and which "agent" shall get the rake off, "fines," etc. To illustrate further the case of the new Harris Trust building, in Chicago, is but a fair sample of how it works. On Tuesday morning the United Association of Steam Fitters now employed on the building were laid off and the carpenters, bricklayers and other trades returned to work. The plumbers and electrical workers, who sympathize with the United Association of Steam Fitters, were expected to walk out. For the past three months it has been a continuous circus performance. First the plumbers and electrical workers struck because International Association steam fitters were employed. After a time the steam fitters were discharged and United Association men employed in their places. The plumbers and the electrical workers returned to work. This did not suit the carpenters, bricklayers, hoisting engineers and

other trades who sympathized with the International Association steam fitters, and they walked out. Now it is their turn (since Tuesday) and the owners of the building, which was to have been finished by May 1st, expect that with ordinary luck it may be finished by May 1st of next year. They have given up hope of getting all the trades to work there at one time, so they are doing the next best thing by getting one faction to work a few weeks and discharging them, so that the other faction may work a few weeks to even matters up. It is a farce and union labor cannot hold together, nor can their families live comfortably under the system. Nothing but a return to first principles and to real benefits rather than continue a warfare in which labor is the victim of the automobile-riding business agent and his band of sluggers, can save the unions.

THE HIBERNIAN

On the first three days of this week, the Continental and Commercial National purchased the Hibernian Banking Association by an even exchange of stock to the amount of \$1,500,000. The Hibernian shares went up about forty points and the Continental and Commercial about ten. Thus at the very start the new doctrine of reciprocity, wherein an exchange can be made without loss to either party, as was once believed impossible, was vindicated. This gives Chicago added precedences for it will not be long until the "second largest" bank becomes the "first largest." Bank absorption, like that of railroads, scarcely attracts attention any more, except in the added power and glory it gives to the master hand.

Big banks no longer mean crushing power, as the public once thought, but power to assist business, to strengthen smaller banks, and to wield an influence for good on the community. This is Mr. Reynolds' idea at least and no one ever has questioned his honesty or sense of fairness—not even his rivals—if he have any.

A MILLION DOLLAR DIVIDEND

Stockholders of the National Safe Deposit Company, which owns the building occupied by the First National Bank, on Tuesday approved the declaration of a stock dividend of 40 per cent, or \$1,000,000. The new stock will be distributed at once to stockholders of record June 12th. The larger part of the amount will go to the First National, which owns control of the Safe Deposit Company. The stockholders re-elected the old directors and the directors in turn re-elected the retiring officers.

GROUP EIGHT, INDIANA

Group Eight, Indiana, will meet at Harmony Park, Vincennes, on Thursday, June 22d. The speakers are J. C. Johnson of Evansville, D. B. Johnson of Mooresville and Earl Gwin of New Albany. The usual subpoenas are out signed by President Marcus S. Sontag of Evansville and Secretary J. L. Bayard, Jr. of Vincennes.



THE NORTHWEST'S GREATEST BANK

Established 1872

The
Northwestern National Bank
MINNEAPOLIS

AFFILIATED WITH

The Minnesota Loan and Trust Co.

Combined Capital, Surplus and Profits, \$6,500,000.00
Combined Resources 35,500,000.00

A Steadfast Policy

Has characterized the 39 years of service to the public that this bank has given since its organization. The attention of the management has been continually directed toward the NORTHWEST, with the result that this bank's success has been attained by the consistent upbuilding of its territory.

The
"North-
western"



For
the
Northwest

At Lake Tahoe

Addresses by John Perrin, of Indianapolis, on Monetary Legislation, in which he draws some interesting conclusions

Lake Tahoe, Cal., June 15.—Mr. Perrin's fine address on the monetary plans centering in the National Reserve Association easily was the feature of the California bankers convention. In the main his views have not changed much since you gave in part, in THE CHICAGO BANKER, his splendid address before the Tennessee bankers. His résumé of the provisions of the monetary plan are the best known, and his conclusions most interesting. He said in part:

In 1906, the American Bankers Association, influenced by those who scented the danger of approaching crisis and appreciated the weaknesses of our banking system, appointed its currency commission of fifteen members coming from many sections of the country. After careful deliberation this commission concluded that comprehensive banking legislation was then politically impossible and decided to limit its activity to an effort to secure legislation that would be a small step in the right direction. What it proposed was feasible and sound, but failed of enactment. As the outcome of that effort, however, and as an alternative for the legislation denied, it was influential in securing the appointment in 1908 of the congressional monetary commission. For three years this commission has made exhaustive investigation and profound study of the banking systems of the progressive countries of Europe and of our own situation, calling to its assistance the ablest experts at home

and abroad. The volumes published containing the reports of investigations and the writings of experts comprise to-day the most valuable library in any language upon banking systems, banking experience and banking practices. It is easy to see the benefits in European countries of banking systems depending on the great central banks, but those systems for the most part have developed step by step, in law and in custom, as the commerce has developed. Here we have already a highly developed commerce, and a wonderfully ramified system of individual banks, adding infinitely to the difficulty in planning comprehensive results without revolutionary changes. But the suggested plan submitted to the monetary commission is at once peculiarly fitted to our needs and ingeniously adapted to our present banking system.

Certain amendments to the plan have been suggested by the currency commission of the American Bankers Association. (Here Mr. Perrin outlined the plan.)

State Banks and Trust Companies

Another difficult problem has been that of extending to state banks and trust companies the benefits of this plan. At the last conference of the monetary commission and the bankers currency commission about April 1st, the view was expressed that national charters might be so liberalized as to include the powers now exercised by state banks and trust

companies chartered institutions to re-incorporate under federal law, thus bringing about unification of the entire system. After much discussion a special committee of the bankers currency commission was appointed to consider and prepare a special report on this matter. The committee gave the subject much consideration and consulted not only with the executive officers of the trust company section of the American Bankers Association of which Oliver C. Fuller, of Milwaukee, is the able president, but also with the heads of many representative state banks and trust companies, including two leading California bankers (Mr. Sartori and Mr. Drake of Los Angeles) who were in the East at the time. It completed its work about May 1st and made its report to James B. Forgan, vice-chairman of the currency commission. The keynote of the special committee's recommendations is that no discrimination be made favoring either national or state banks one over the other, but, without change of charter, character or methods of business, that all share equally in the organization and control of the National Reserve Association, prescribing as a standard of eligibility, requirements as to capital, reserves and supervision, approximating those made of national banks.

At the meeting at Nashville early in May of the executive council of the American Bankers Association, Mr. Forgan included the recommendations of the special committee as a part

The Monroe National Bank OF CHICAGO

Madison and La Salle

United States Depository

Report of Condition at Close of Business, Wednesday, June 7, 1911

RESOURCES

Loans and Discounts.....	\$1,272,942.25
Bonds and Securities.....	252,014.17
Overdrafts.....	499.98
U. S. Bonds to secure Circulation	282,000.00
Premium on U. S. Bonds ..	2,500.00
Bonds to secure U. S. Deposits ..	1,000.00
Cash and Due from Banks.....	853,121.46
	<u>\$2,664,077.86</u>

LIABILITIES

Capital Stock.....	\$ 300,000.00
Surplus and Undivided Profits...	66,840.82
Reserved for Interest and Taxes	2,000.00
Circulation.....	280,800.00
U. S. Bond Account.....	100,000.00
Dividends Unpaid.....	45.00
Deposits.....	<u>1,914,392.04</u>
	<u>\$2,664,077.86</u>

OFFICERS

EDWIN F. BROWN, President
T. C. NEAL, Vice-President
FRANK COLLINS, Second Vice-President

L. C. WOODWORTH, Cashier
MATTHEW A. BERG, Jr., Assistant Cashier
R. H. LEE, Assistant Cashier

DIRECTORS

J. E. CLENNY
EDWARD CLIFFORD
CHARLES G. DAWES
GEORGE W. DIXON

A. VOLNEY FOSTER
DAVID B. GANN
F. A. HECHT
S. K. MARTIN

J. V. STEGER
JAMES WALSH
T. C. NEAL
EDWIN F. BROWN

An account in this bank will prove beneficial and satisfactory because we study our customers' wants and encourage a close personal acquaintance. It is on this basis that we transact and solicit new business.

Colonial Trust & Savings Bank

LA SALLE STREET, N. E. Cor. Adams

Report of Condition at Commencement of Business, June 8, 1911

RESOURCES

Loans and Discounts.....	\$4,279,436.75
Bonds	483,967.17
Furniture and Fixtures.....	11,700.00
Cash and Sight Exchange.....	<u>2,394,310.16</u>
	<u>\$7,169,414.08</u>

LIABILITIES

Capital Stock.....	\$ 600,000.00
Surplus and Undivided Profits.....	475,686.88
Deposits.....	<u>6,098,727.20</u>
	<u>\$7,169,414.08</u>

OFFICERS

LONDON CABELL ROSE, President
JACOB MORTENSON, Vice-Pres. EMIL STUEDLI, Assistant Cashier
R. C. KELLER, Vice-Pres. and Cash. W. F. DOGGETT, Assistant Cashier

of his report of the work of the currency commission, and at that meeting delivered a most able and comprehensive address analyzing the plan and its possibilities. His convincing presentation resulted in the adoption by unanimous vote of a resolution offered by F. O. Watts, approving the plan as modified by the currency commission.

Bank Examination

It is my own view, and in this I speak only for myself, that ultimately examination and supervision of banks, both national and state, would be entrusted chiefly to the branch managers, after a plan not unlike that once proposed by Hon. Chas. N. Fowler. Local associations would at times be called upon to endorse for bank members, and it has been suggested that an examiner be employed by each local association to examine the banks composing it, reported to a committee of the local association board after the manner of the special clearing house examinations in Chicago, San Francisco, St. Louis, New York, Los Angeles, Minneapolis and other cities. But it appears to me that supervision by competitors would have its disadvantages and possible abuses. The acts of a branch manager, appointed by the governor of the association, and in no wise a competitor, would be more apt to be free from the influence of selfish motives. It would be the branch manager who would have constant dealings with the banks of his district, and his direct examination and supervision would enable him to proceed, under approval of the branch board, with promptness and precision growing out of intimate knowledge of the condition of each bank in his district. In a case of unsatisfactory condition, his admonitions and helpful suggestions would be influential in bringing a lax management up to proper standard, under penalty of discontinuance of rediscount privileges.

Size and Strength of the National Reserve Association

The aggregate capital of all national banks is just above one billion dollars, and of state banks and trust companies combined, about eight hundred millions. If all these should subscribe, the total paid in capital would be one hundred and eighty millions, four or five times as great as the capital of the Bank of England, the Bank of France, or the Imperial Bank of Germany. The national banks of the

(Continued on page 30)

ELECT OFFICERS

The Tennessee Bankers Association elected the following officers for the ensuing year:

President, Wesley Drane of Clarksville; vice-president for eastern Tennessee, H. E. Jones of Bristol; vice-president for middle Tennessee, F. C. Stratton of Lebanon; vice-president for west Tennessee, A. S. Elder of Trenton; treasurer, Thomas Mottley of Lynchburg.



New home of the Central State Bank to be erected at 312-315 5th Street, Des Moines, Iowa.

GUARANTY TRUST COMPANY OF NEW YORK

The Guaranty Trust Company of New York makes the interesting announcement that it is now a member of the New York Clearing House Association, and that on and after June 12, 1911, all items deposited with the company will be cleared through the New York Clearing House. Of the several trust companies which have recently joined the New York Clearing House the Guaranty Trust Company is quite the largest, having deposits in excess of \$140,000,000, and total resources of over \$175,000,000. As a matter of fact there are now in the city of New York and indeed in the entire country but two or three banking institutions which exceed the Guaranty Trust Company in size. Its growth during the past few years has been quite remarkable, and with its recent consolidation with the Morton Trust Company and the Fifth Avenue Trust Company, has been able to assume its present prominent position among the leading financial institutions of the country.

HARRIS TRUST STOCK DIVIDEND

At a special meeting of the Harris Trust and Savings Bank yesterday the stockholders authorized an increase of \$250,000 in the capital stock, as recommended recently by the directors. After the meeting of stockholders the directors authorized the transfer of \$250,000 from the undivided profits account to capital account and the distribution of this \$250,000 additional stock pro rata to stockholders of record May 29th.

This action raises the capital of the bank to \$1,500,000. The surplus is the same amount and the undivided profits reported June 8th were \$418,000. The deduction of \$250,000 would leave a balance of about \$168,000 in this account.

The stock of the Harris Trust is \$500 a share bid. The earnings of the bank in the last year have been around 50 per cent on the old capital.

HIBERNIAN APPROVES MERGER

The directors of the Hibernian formally approved the sale of the stock to the Continental and Commercial on Tuesday and elected George M. Reynolds chairman of the board.

We Own and Offer, Subject to Prior Sale:

\$500,000 Insurance Exchange Building

First Mortgage 5% Bonds

Due November 1, 1925

Interest May and November 1

An absolute First Mortgage on the land owned in fee simple on Jackson Boulevard, extending from Fifth Avenue to Sherman Street, Chicago, and the new Insurance Exchange Building erected thereon. This will be the largest and most modern office structure in Chicago. We offer this bond as a conservative investment in lieu of real estate mortgages on improved property within the loop district.

Price, 102½ and Interest, Yielding 4.75%

\$100,000 Springfield Railway & Light Company (Springfield, Mo.)

First Lien 15 Year 5% Sinking Fund Gold Bonds

Due May 1, 1926

Interest May and November 1

Bonds callable, as a whole or for sinking fund, at 102 and accrued interest on any interest date. Net earnings more than twice interest charges. Gross and net earnings show steady increase. Secured through collateral by substantially a first lien on entire electric street railway, light and power and gas properties in a prosperous and growing community of about 40,000 population. Sinking fund retires 25% of all bonds issued under this mortgage.

Price, 96 and Interest, Yielding 5.40%

\$275,000 Chicago and Duluth Transportation Company

First Mortgage 5% Gold Bonds

Due serially, October 1, 1912 to 1921, inclusive, Interest April and October first. Callable on any interest day at par and accrued interest, plus a bonus of 1% for each year the bonds have yet to run; provided, however, that such bonus shall in no case amount to less than 2% of the par value of the bonds. (Minimum Callable price, 102 and interest.)

The Chicago & Duluth Transportation Company is organized under the laws of the State of Indiana and operates the steel freight and passenger steamships, "Minnesota," "Alva" and "Gratwick," upon all of which these bonds are an absolute First Mortgage Lien.

The Chicago & Duluth Transportation Company operates jointly with all the railroads centering in Chicago and beginning May 1, 1911, has a special traffic agreement with the Illinois Central Railroad Company. This agreement covers both freight and passenger business and will undoubtedly result in a very large increase in the Company's business.

We recommend these bonds as a conservative and desirable investment and offer the same, subject to sale, to yield 5¼%.

Special circulars describing the above issues will be sent upon request.

BOND DEPARTMENT

Continental and Commercial Trust and Savings Bank

129 SOUTH CLARK STREET, CHICAGO

First National Bank

MARQUETTE

MICHIGAN

Established January 22, 1864

DESIGNATED DEPOSITARY OF THE UNITED STATES

Capital, Surplus and Undivided Profits, \$250,000.00

Oldest and Largest Bank in Marquette County

We have unexcelled facilities for the handling of collections at most equitable rates. Give our service a trial by sending us your Marquette items.

Old Detroit National Bank

DETROIT, MICHIGAN

United States Depositary

Capital - \$2,000,000

Surplus and Profits 1,000,000

Deposits - 20,000,000

YOUR BUSINESS SOLICITED

The Michigan Convention

Emory W. Clark, president, tells of the greatness of his state and of his confidence in the National Reserve Association Plan

It is a personal gratification to me to meet with the Michigan bankers on the occasion of this our twenty-fifth anniversary and to endorse the welcome to Detroit which Mayor Thompson has so agreeably expressed.

We frequently see you here individually when you have business on hand and on such occasions it often happens that our time is taken up with business to such an extent that there is hardly an opportunity to more than discuss what is necessary. This is often a personal regret to me and it was with a good deal of pleasure that I announced this morning to others less fortunate in the office that I would not be back for the balance of this week, having made up my mind to enjoy with you, the pleasures of the occasion, at a time when business should be omitted.

While it is true that we all hope that these annual meetings will result in a closer and more intimate business association with each other, it is equally true that the pleasures of the occasion are uppermost in our minds. Our entertainment committee has been diligent in preparing for your coming and it is our belief and hope, that you will go home with the sincere conviction that the twenty-fifth anniversary of the Michigan Bankers Association has been worth your while from every point of view.

After all, the deeper significance of these gatherings is the growth and development of the spirit of the co-operation. From our secretary's and treasurer's reports, you will hear that we have the co-operation and influence of the largest membership in our history, supported by the best financial report that our treasurer has ever made, so that we are in a position to better prosecute the work, and influence of the association looking to better laws and higher standards for banking than ever before in our history.

In this connection I must make especial mention of the excellent work during the year of our efficient attorney, Hal H. Smith, both in directing new legislation at Lansing and in

advice rendered on the many subjects referred to him by the members of the association.

Our secretary, Mrs. Brown, has guarded the interests of the association as faithfully as heretofore, and our increased membership and financial condition is largely due to her untiring efforts in the interests of the association. The work of the association in furnishing burglar insurance has had a growing appreciation by our members and the bulletin published has kept the members in touch with the progress of the legislation at Lansing and is read with a greater interest that ever by our large membership.

In turning over in my mind what subject would be well for me to consider at this time, I was forced to the conclusion, that as human

nature is prone to complain of our surroundings, that we possibly do not to a proper degree appreciate the advantage which we have, in having our lot cast in this great state of Michigan, where on every side the development of our natural resources and industries are giving us all the opportunity that we could reasonably hope for, and when we consider this development, increase in farm products, how our factories and industries of every nature are multiplying and to the extent that the bank deposits throughout the state are increasing, we can get some idea of the wonderful opportunities which we have as compared with some of our less fortunate neighbors of other states in the union.

The year 1910 witnessed an enormous liquidation both in the commercial lines and the securities market throughout the country, and Michigan records for the period, indicate a condition considerably above normal, it is a safe prediction therefore, that when the general business conditions throughout the country improve, and activity again steps in Michigan will be in a position to be in the van of such movement.

With us last year marked new records in many directions; for instance, our iron and copper mines, the greatest in the world show their enormous production of 45,000,000 tons of iron ore and 260,000,000 lbs. of copper. There are thirty-nine producing coal mines in the state, which gave up over 2,000,000 tons of marketable coal. Our farmers were paid last year over seven million dollars for the best crop alone, which supplied our sixteen sugar refineries. Our commerce with foreign nations increased to the enormous total of forty-nine and one-half millions, an increase of 15 per cent over 1909.

The capital invested in our manufacturing enterprises points out possibly as well as any other record, the great increase in the industrial development of our state; for instance, the statistics show that in 1900 there was \$269,765,000 employed; in 1904 the figures had



EMORY W. CLARK
President Michigan Bankers Association



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

The Chicago Savings Bank and Trust Company, recognizing the importance of despatch, as well as accuracy, handles the requirements of its correspondents in the manner that assures the greatest promptness in every transaction. It invites active and inactive accounts.

OFFICERS

LUCIUS TETER, President
EDWARD P. BAILEY, Vice-President

JOHN A. McCORMICK, Vice-President
HOUSTON JONES, Cashier
JOHN C. ARMSTRONG, Assistant Secretary

WILLIAM M. RICHARDS, Asst. Cashier
EDWARD J. PRESCOTT, Secretary

CAPITAL ONE MILLION DOLLARS



grown to \$337,894,000 and in 1910 it is reliably estimated that there is \$500,000,000 capital invested in the manufacturing enterprises of our state.

Our total bank deposits of the state have grown since November, 1905, from \$271,308,000 to November, 1910,—\$385,000,000 an increase in five years of nearly \$114,000,000 or 42 per cent.

The population of the state during the past ten years has increased from 2,420,000 people of 2,810,000, a gain for the ten years of 389,000 or about 16 7-10 per cent. I doubt if there is another state in the union whose development has exceeded that of our great state of Michigan, and am sure that no state in the Union will show a more substantial growth or development of so permanent a nature as that of our state.

As the plan suggested for monetary legislation is uppermost in the minds of all bankers to-day, I wish to refer briefly to some of the salient points that were impressed upon my mind at a recent meeting of the council of the American Bankers Association at Nashville, where the proposed plan was discussed in detail by James B. Forgan, president of the First National, Chicago, and while it is not worked out to its completion the council went on record as unanimously favoring the plan as a whole, feeling that we cannot long enjoy established prosperity if our securities are to be depressed and our credit impaired by the periodical suspension of our banks, and that the most important subject before us to-day is reform of our banking and currency system.

Under the National Reserve Association plan it will be advantageous for the member banks to carry their reserves with the central organization and with this accumulation of reserves from all parts of the country, it is believed that the money stringency as we have known it in the past, cannot recur, for their will be no advantage in the banker hoarding a surplus which in itself will go a long way toward avoiding panics. This plan is so comprehensive that should it prevail it will take from the banker forever, the excuse that he needs his money to move the crops, for with the opportunities for re-discounting there will be no difficulty whatever for the banks of the country to meet the demands of their customers whenever an emergency arises and at the same time this expansion is fully safeguarded.

The benefits of such an association which will permit plans for development of industries to be consummated over a period of years without fear of financial stringency cannot be estimated. At our dinner to-night we will hear two able addresses on this subject by men who have devoted a great deal of their time to it during the past two or three years. As you probably know the plan for the National Reserve Association of the United States which is now being presented to the country, for consideration, is the one proposed by the National Monetary Commission as corrected in confer-

ence with the Currency Commission of the American Bankers Association, of which A. Barton Hepburn, New York, and James B. Forgan, president of the First National, Chicago, took very conspicuous parts. Mr. Hepburn has long been a student of finance and is, I believe, conceded to be one of the ablest exponents of sound banking that we have in this country and James B. Forgan's matured judgment as has been proven many times, is very safe and reliable. The reform however in its broadest aspect is of greater importance to the public generally than to bankers. Bankers can worry through suspension and panic, indeed they sometimes make larger profits than they make in normal times. The real sufferers from a panic are the numerous weak holders of depreciative securities, the ranks of laboring men, deprived of work and the business man of all kinds whose bank credit is suddenly curtailed. The need of the hour is an enlightened public opinion among all classes, which shall be strong enough to carry through the proposed legislation.

Minnesota

Four hundred bankers are expected at the twenty-second annual meeting of the Minnesota Bankers Association June 21st at Bemidji. More than two hundred have asked for reservations there and an equal number are expected to leave the Twin Cities the night previous by special train on which they will live and will continue the day following to the power plant at International Falls, and then return to the Twin Cities.

Good Crop Prospects

Bankers, railroad men and grain men are enthusiastic over the crop prospects in the Northwest. President F. A. Chamberlain of the Security National says that if conditions are the same as now and there is moisture at that time the bank will probably issue its crop forecast on June 20th. If hot winds are avoided and moisture at the time of harvest, and similar contingencies he expects a fine crop.

A. J. Earling

President A. J. Earling, in Minneapolis Monday, looked for a favorable outcome of the harvest along the line of the Puget Sound extension of the C. M. & St. P. road. He says crops are good in the Dakotas, Montana, Idaho and Washington and also in Minnesota. Joseph Chapman, Jr., vice-president of the Northwestern National, found that the route of the railroads through the Northwest to Montana is like a garden.

Deposits Show Small Gain

Deposits on Minneapolis banks ending June 7th amounted to \$90,722,174, of which \$71,880,155 was in commercial banks. The loans and discounts were \$57,105,599. Deposits showed a small gain compared with the January call and loans and discounts a greater gain. A decrease was developed in comparison with the totals March 7, 1911.

Second District Bankers Meeting

At the ninth annual meeting of second district bankers in Minnesota June 8th at New Ulm a resolution passed in favor of rigid examination of firm floating commercial paper and registration of all paper. The resolutions committee heartily endorsed the views expressed in an address by Judge E. H. Canfield of Laverne, relative to the discriminatory freight rates in favor of the Twin Cities and Duluth and detrimental to the smaller cities and villages of the state.

W. D. Willard, of Mankato, was recommended as a member of the executive council of the state association from this district. One hundred and twenty delegates registered. Charles Silverman of New Ulm was toastmaster and toasts were responded to by Judge Lorin Cray, of Mankato, Kelsey S. Chase, state superintendent of banks, and Albert Pfaender of this city.

The following officers were elected: President, John S. Tolverson of Fulda (re-elected); vice-president, W. A. Streator of Winnebago; secretary, Emil G. Hage of New Ulm.

At the sixteenth annual session of the National Credit Men's Convention in Minneapolis this week one of the speakers was J. B. Forgan of Chicago on "Monetary Legislation as Suggested by the National Monetary Commission." F. E. Holton of the Northwestern National and H. W. Parker of the Merchants' National, respectively president of the Minneapolis and St. Paul association, were prominent figures in the meeting.

STATEMENT OF CONDITION OF THE National Produce Bank

OF CHICAGO

At the Close of Business, June 7, 1911

RESOURCES.

Loans and Discounts.....	\$1,149,392.34
United States Bonds.....	254,500.00
Other Bonds and Securities.....	403,939.41
Furniture and Fixtures.....	10,000.00
Due from U. S. Treasurer.....	12,500.00
Cash and Due from Banks.....	651,908.36
	\$2,482,240.11

LIABILITIES.

Capital Stock.....	\$ 250,000.00
Surplus.....	50,000.00
Undivided Profits.....	40,389.71
Circulation.....	248,350.00
Reserve for Taxes.....	800.00
Deposits.....	1,892,700.40
	\$2,482,240.11

OFFICERS.

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President
RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier

DIRECTORS.

WM. WRIGLEY, Jr.	Edward R. Davis
JOHN W. LOW	E. H. STORY
WALTER MCBROOM	WM. P. WAGNER
SAMPSON ROGERS	EDWIN L. WAGNER
CHARLES W. HIGLEY	RALPH N. BALLOU
W. C. SHURTLEFF	

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

The Audit Company of Illinois

1439-42 First National Bank Building, Chicago

Specialists in Auditing and Systematizing Public Service Corporations

C. W. KNISELY, C. P. A.
President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

California Convention

W. R. Williams tells the story of modern banking laws and the effects of careful supervision

I thank you very much for the opportunity to present to you a few thoughts that have been suggested to me relating to banking laws and supervision of banks. Law has been defined as "a rule of civil conduct prescribed by the supreme power in a state, commanding what is right and prohibiting what is wrong." All of our laws are the result of years and years of experience and none of them have come into existence except as an attempt to improve some rule of conduct already established. At one period of history there were no laws others than the law of "might"; but as civilization advanced and society became necessary it was found that "right" was more important than "might" excepting when "might" was necessary to enforce "right."

Governments were evolved so that "rights" could be determined. Gradually these rights took the form of established laws which provided the means whereby they could be enforced. Society is only possible by law for, if civilization had not advanced to such a state that laws could be established and enforced for the general good without constant resort to force, then the law of "might" would still prevail and society would not exist. Our structures of government are in danger only when "might" is used to obtain laws which are not not general in their application and which are for the purpose of securing privileges to some to the detriment of others or when it is used to resist laws made for the benefit of all.

Banking laws of the present day are the product of long experience relating to the conduct of financial institutions. These laws are designed to lay down rules for the guidance of those who are engaged in the banking business so that they may not meet with disaster and those who deal with banks shall be advised as to the safety afforded them by fixed conditions under which funds may be loaned or invested. Besides the foregoing these laws establish penalties for infractions of the law and provide means for the protection of the innocent or for those who are likely to suffer because of a failure on the part of bankers to comply with the law.

By "banking laws," I do not mean simply those contained in what is known as the "bank act" but I refer to all laws dealing with the business of banking and to all laws applicable to such business in common with all other business and particularly to the laws governing corporations. The latter play a very important part in connection with banking for the reason that practically all banks are conducted by corporations and the laws governing them are very complex.

Banking laws, as well as all other laws, must be general in their nature and application and cannot be made for or applied only to a particular case as they would fail entirely of being a general rule of conduct, thus destroying the real purpose of laws.

Possibly at some time in the far distant future the human mind may be so constructed

that the rights of all persons will be known simply as a matter of course and every one will do exactly what is right for everybody at all times and under all circumstances no matter what the opportunity for personal gain may be. When that time arrives there will be no need for written laws; but until then written laws are absolutely essential and the better the laws and the more closely they are complied with the more beneficial they become.

Because of the fact that the human mind has not reached perfection, laws are necessarily imperfect and the man does not exist who can draft a set of perfect laws for the guidance of himself much less for others; and banking laws are no exception to the general condition. However, it does not follow that because the laws are not perfect they should not be obeyed, while at times laws are seemingly unnecessarily restrictive, still the individual would probably, were he permitted to do so, substitute another in its place which would work greater hardship on others than the one now in existence works on him.

All laws are at times very obnoxious to some of us, even the simple laws of everyday conduct as we walk along the street.

These simple laws, however obnoxious they may be at times, are rigidly followed by practically all of us for they are so well known and established we never think of failing to observe them and, to break them, we must deliberately and, in the open, and directly opposed to the rights of others, declare ourself as one who does not care for such rights.

There are those who do not believe that laws are made for their guidance and control and, though not intending to do actual wrong, they pay very little attention to the laws; there are others who have no respect for the laws and are guided solely by their desire for personal gain; and as long as they are not restrained by some force greater than their conscience, they will continue to do as they please no matter how much some one else may be placed in jeopardy; there are others whose ignorance does not permit them to obtain a proper conception of the meaning of the law either in

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**Chicago, Union Pacific
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North Western Line**

Luxuriously appointed trains and the best of everything are yours when you use this route.

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INVESTMENT BANKERS

First National Bank Bldg., Phone Central 6400

PITTSBURGH

CHICAGO

PHILADELPHIA

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

The First National Bank

MASON CITY

IOWA

Capital \$ 250,000.00
Surplus 250,000.00
Deposits 2,451,471.10

OFFICERS

C. H. McNIDER, President

F. E. KEELER, Vice-President
C. A. PARKER, Asst. Cashier

W. G. C. BAGLEY, Cashier
R. P. SMITH, Asst. Cashier

Customers and correspondents are assured of every courtesy
and accommodation consistent with conservative methods

First National Bank

SIoux CITY

IOWA

Capital and Surplus \$ 500,000
Deposits 6,500,000

OFFICERS

JOHN McHUGH, President
W. L. MONTGOMERY, Vice-President
JOHN J. LARGE, Vice-President
F. A. McCORNACK, Vice-President

HENRY G. WEARE, Vice-President
H. A. GOOCH, Cashier
FRITZ FRITZSON, Assistant Cashier
O. D. PETTIT, Assistant Cashier

letter or in spirit; and there are others who believe that it is their especial prerogative to interpret the laws as they choose, relying on their strength or the weakness of others to maintain their position.

Were all laws governing banks complied with there would be no demand for a department of government for the purpose of supervising the conduct of banks; but, taking into consideration the fact that laws will be broken by some, and, recognizing the necessity of having means of ascertaining whether a bank is being properly conducted or not, governments have before conditions can develop that will place the depositors' money in jeopardy, generally adopted the policy in one manner or another of supervising the conduct of banks within their respective jurisdiction.

Necessarily this supervision cannot take on the form of general manager nor legal adviser of banks but rather must its energies be directed toward ascertaining whether the laws are being complied with or not; and wherever they are not then to use every legitimate means effectively to enforce a compliance with the laws irrespective of the person or persons involved.

Safety and protection for all can only be maintained by so administering the laws that no one is above the law. This is a fundamental principle in our government although often abused by the enforcing power.

There is probably no business conducted today that bears so intimate a relation to all other business as does banking; and there is no business whose failure to comply with the law opens up such a far reaching possibility of disaster and suffering. A banker bears a tremendously important relationship to all with whom he comes in contact but with none does he bear the same responsible relationship that

he does to his depositors. He should therefore do his utmost rigidly to follow the law so that



HOMER A. MILLER
DES MOINES

Mr. Miller is president of the big Iowa National, director of the C. & N.-W. Ry., and an ex-president of the Iowa Bankers Association. His popularity and influence in the state make him a pioneer in Northwest banking.

his depositors, who repose every confidence in his honesty, business judgment and integrity, may not be deceived.

Above all he should not consider the laws simply as a thing to circumvent on every occasion and in every manner whenever his personal welfare is to be benefited; nor should he consider the supervising power as one player in a game of "hide and seek" and he the other or make of the transactions between the two a game of wits, relying on his ability to hoodwink the examiner and using his persuasive powers of argument, or other means at his command, to secure another chance to benefit himself or to do something that others are not permitted to do. Nor should a banker be permitted by those responsible for proper supervision successfully to adopt such a course for it would make of banking a farce and supervision a sham.

Fortunately a very large percentage of bankers are men who understand and appreciate the sacredness of the trust that is reposed in them and who accept the trust in good faith, striving at all times to comply with the laws, believing they are good or, if not so believing, striving to make them good. It is not for such men that stringent laws are adopted or supervision established.

BANKING NEWS

The Farmers & Mechanics and the First National banks of Cadiz, Ohio, have been consolidated, giving the city three national banks with capital and deposits of \$2,500,000. The population is only 2,000.

The \$10,000,000 Jones & Laughlin first mortgage sinking fund 5 per cent gold bonds, taken by the First Trust & Savings Bank, of Chicago, have all been sold at an average price of 102 1/2.

F. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

THE CONVENTIONS

(Continued from page 1)

of the National City Bank, will open the ball with an address on "Progress in Banking." Following this there will be a general discussion on the national reserve association plan touching its relation to state banks as well as national banks. Remarks will be limited to five minutes. In the afternoon a trip around Manhattan Island will be taken in a modern steamer. Among the guests on this trip will be President Taft, Martin W. Littleton, and others. On Friday morning the discussion of the national reserve association plan will be continued in its relationship to trust companies. William C. Poillon of the Mercantile Trust Company, New York, will open the discussion. On Friday afternoon there will be an exhibition of aeroplane flying and a trip through Luna Park. Friday evening there will be fire works and music followed by a dance at the hotel. The New York Association will be able to take care of all visitors who may come, having made entire reservation of all the accommodations at the Oriental and the Manhattan Beach hotels. Those who wish to make direct reservations may telegraph Alfred Simons, Room Clerk, Oriental Hotel, 243 Fifth Avenue, New York City. Both golf and tennis tournaments have been arranged for visitors.

North Carolina Convention

North Carolina bankers will hold their fifteenth annual convention at Lake Kanuga, near Hendersonville, on June 21st, 22d, and 23d. The address of welcome will be made by W. A. Smith of Hendersonville and the response by Joseph G. Brown of Raleigh. Among the principal speakers will be H. C. McQueen of Wilmington, Caldwell Hardy of Norfolk, Lewis W. Parker of Greenville, S. C., and J. K. Doughton of Raleigh. At the Friday session the speakers will be T. R. Preston of Chattanooga, J. D. Walker of Sparta, Ga., W. S. Lee, Jr., of Charlotte and W. A. Blair of Winston-Salem. Honorable Edward B. Vreeland will be the speaker at the Thursday evening banquet on our "Proposed Banking and Currency Legislation."

Maryland and Connecticut Conventions

Maryland bankers will meet at Deer Park, June 20th, 21st, and 22d and Connecticut bankers will meet at New London, June 21st and 22d.

NEW BANK BUILDING FOR DES MOINES

The Central State Bank of Des Moines has recently given the contract for their new building, picture of which appears elsewhere in this issue, to Messrs. Charles Weitz' Sons of Des Moines. The building is designed by Mowbray & Uffinger of New York City and will undoubtedly be one of the handsomest banking rooms in the state of Iowa. The building material will be largely of New Hampshire gray granite and will cover a space of 44x132 feet. The contract for the vaults have been awarded to the Remington & Sherman Company, and will be in every way adequate to the needs of the bank and the city of Des Moines. The Central State in its last statement shows deposits of \$2,800,000 which represents a substantial and steady growth.

Golconda, Ill.—A new bank building is to be erected by the Pope County Bank.

Spokane

Spokane, June 13.—Bankers, railroad contractors and merchants throughout the Spokane country believe that the \$600,000,000 bond issue, recently authorized for the Great Northern Railway Company, will be of supreme importance of the states of Washington and Oregon and other parts of the Northwest, as it makes available much capital for extensive development work. Others declare it also means redoubled aggressiveness in this territory by the Hill lines. A prominent railroad official, who will not permit the use of his name for obvious reasons, said there is every indication that James J. Hill plans to carry his battle on the Harriman lines not only into every part of Washington, but will also strengthen his hold in Oregon and ultimately invade California.

It also is expected that the Hill interests, which hold the control of the Spokane & Inland Empire Electric Railway system, will extend the line from Moscow, Idaho, to Hooper, on the Spokane, Portland & Seattle line, thus giving them a new and logical outlet for grain to Portland. Another extension in the state of Washington doubtless will be that of the Spokane & Inland to the Columbia River. The river territory is adjacent to the Great Northern lines and always has been considered as Hill's field.

Bankers Make Tour of Wheat Fields

Nine bankers of Spokane made a trip of 100 miles in automobiles through the wheat fields

in Spokane and Lincoln counties on June 7th for the purpose of getting a line on crop conditions. These facts were brought out; splendid growth, considering the lateness of the season; good color, excellent stooking, farmers satisfied and merchants optimistic. In the party were: Edwin T. Coman and William Huntley, president and vice-president, respectively, of the Exchange National Bank; Thomas H. Brewer, president, and Orris Dorman, vice-president of the Fidelity National Bank; Frank M. Marsh, president of the National Bank of Commerce; R. Lewis Rutter vice-president and manager of the Spokane & Eastern Trust Company; J. Grier Long, president of the Washington Trust Company; Adolph Galland, vice-president of the Northwest Loan & Trust Company, and A. F. McClaine, president of the Traders' National Bank.

Banking Notes

Eugene E. Crisler has instituted action for \$25,000 damages against Harry Jones, cashier of the First National Bank of Wapato, Wash. The suit follows Chrisler's discharge from the bank. He alleges that Jones injured his reputation by false and malicious representations. Jones denies all the allegations in his answer.

T. W. Carroll of New York, assistant to the president of the Western Union Telegraph Company, at the head of a party of officials, was in Spokane on June 6th to inspect the local offices, afterward going to Black Creek in Montana, where he will pass several weeks on a fishing expedition.

Seattle

The council has disposed of \$580,000 water-extension bonds, bearing 4½ per cent, at par and accrued interest, to the Washington Trust and Savings Bank of Seattle and the Harris Trust and Savings Bank of Chicago.

Bulletin Summarizes Business in Northwest

The Seattle National Bank's crop and trade bulletin, which has been in preparation by Assistant Cashier William S. Peachy and Publicity Manager George R. Martin, will be issued Monday. The bulletin will summarize business and crop conditions all over the Northwest by counties, and will go into detail. It will be the most comprehensive review of its kind ever issued in this part of the United States.

Seattle Chapter of the American Institute of Banking was visited last week by George E. Allen, educational director of the institute. Mr. Allen was on his way south to attend the meeting of the California Bankers Association.

NEW WISCONSIN LEGISLATION

Madison, Wis., June 14.—After a debate lasting four hours the Wisconsin senate tonight passed the bill providing a graduated tax on incomes.

The Owen bill requiring the state banks to create a deposit guaranty fund equal to 2 per cent of their deposit liabilities was killed in the senate.

The assembly passed the bill requiring the telephone companies to connect their lines with one another at such rate as the state railroad commission may decide.

Harry J. Keyser, cashier at the Philadelphia National Bank, is on a brief European trip.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier



Statement of Condition at Commencement of Business, June 8, 1911

RESOURCES

Loans and Discounts.....	\$32,700,173.43
Bonds and Mortgages.....	9,547,955.96
Due from Banks and Bankers.....	\$21,347,512.16
Cash and Checks for Clearing House.....	8,819,848.07
	30,167,360.23
	\$72,415,489.62

LIABILITIES

Capital Stock.....	\$ 3,000,000.00
Surplus Fund.....	5,000,000.00
Undivided Profits.....	1,273,210.23
Reserved for Accrued Interest and Taxes.....	81,129.53
Deposits.....	63,061,149.86
	\$72,415,489.62

GENERAL BANKING
Accounts of Banks, Merchants, Firms,
Corporations and Individuals Solicited

DIRECTORS

Enos M. Barton	William A. Gardner	Thies J. Lefens	Edward L. Ryerson
Clarence A. Burley	Edmund D. Hulbert	Cyrus H. McCormick	Orson Smith
Elbert H. Gary	Chauncey Keep	John S. Runnells	Moses J. Wentworth

OFFICERS

Orson Smith, President	P. C. Peterson, Assistant Cashier
Edmund D. Hulbert, Vice-President	C. E. Estes, Assistant Cashier
Frank G. Nelson, Vice-President	Leon L. Loehr, Secretary and Trust Officer
John E. Blunt, Jr., Vice-President	F. W. Thompson, Mgr. Farm Loan Dept.
J. G. Orchard, Cashier	H. G. P. Deans, Mgr. Foreign Dept.

112 WEST ADAMS STREET

REPORT OF THE CONDITION OF

THE CORN EXCHANGE NATIONAL BANK

OF CHICAGO

At the Close of Business, June 7, 1911

RESOURCES

Time Loans.....	\$32,056,932.89
Demand Loans.....	7,197,175.77
Overdrafts.....	8,563.98
United States Bonds.....	1,700,000.00
Other Bonds.....	1,994,096.94
New Bank Building.....	2,000,000.00
Cash on Hand.....	\$12,795,501.57
Checks for Clearing House.....	2,033,666.15
Due from Banks.....	9,290,607.53
Due from Treasurer U. S.	142,000.00
	24,261,775.25
	\$69,218,544.83

LIABILITIES

Capital.....	\$3,000,000.00
Surplus.....	5,000,000.00
Undivided Profits.....	696,272.71
Circulation.....	899,047.50
Dividends Unpaid.....	60.00
Deposits	
Banks and Bankers.....	\$29,029,972.58
Individual.....	30,593,192.04
	59,623,164.62
	\$69,218,544.83

OFFICERS

ERNEST A. HAMILL, President	JOHN C. NEELY, Secretary
CHARLES L. HUTCHINSON, Vice-Pres.	FRANK W. SMITH, Cashier
CHAUNCEY J. BLAIR, Vice-Pres.	J. EDWARD MAASS, Ass't Cashier
D. A. MOULTON, Vice-President	JAMES G. WAKEFIELD, Ass't Cashier
B. C. SAMMONS, Vice-President	

DIRECTORS

CHARLES H. WACKER	MARTIN A. RYERSON	CHAUNCEY J. BLAIR
EDWARD B. BUTLER	CHARLES H. HULBURD	
CLARENCE BUCKINGHAM	BENJAMIN CARPENTER	CLYDE M. CARR
WATSON F. BLAIR	CHARLES L. HUTCHINSON	EDWIN G. FOREMAN
EDWARD A. SHEDD	ERNEST A. HAMILL	FREDERICK W. CROSBY

FOREIGN EXCHANGE LETTERS OF CREDIT CABLE TRANSFERS

The First National Bank of Chicago

CHARTER No. 8

Statement of Condition at Close of Business, June 7, 1911

ASSETS

Loans and Discounts.....	\$ 85,889,685.39
United States Bonds (par value).....	1,359,000.00
Other Bonds and Securities (market value).....	5,000,552.94
National Safe Deposit Co. Stock (Bank Building).....	1,262,000.00

CASH RESOURCES

Due from Banks (Eastern Exchange).....	\$19,233,651.63
Checks for Clearing House.....	3,492,352.43
Cash on Hand.....	23,734,727.86
Due from U. S. Treasurer.....	495,450.00
	46,956,181.92

LIABILITIES

Capital Stock paid in.....	\$10,000,000.00
Surplus Fund.....	10,000,000.00
Other Undivided Profits.....	1,276,436.45
Discount Collected but not Earned.....	691,592.34
Special Deposit of United States Bonds.....	550,000.00
Circulating Notes Received.....	\$1,109,000.00
Less Amount on Hand.....	250,000.00
	859,000.00

Dividends Declared but Unpaid.....	1,514.00
Reserved for Taxes.....	141,135.22
Deposits.....	116,947,742.24
	\$140,467,420.25

JAMES B. FORGAN.....	President
HOWARD H. HITCHCOCK.....	Vice-President
FRANK O. WETMORE.....	Vice-President
EMILE K. BOISOT.....	Vice-President
AUGUST BLUM.....	Vice-President
CHARLES N. GILLET, Vice-Pres. & Cashier	
CHARLES H. NEWHALL.....	Vice-President
M. D. WITKOWSKY.....	Vice-President

ARTHUR W. NEWTON.....	Vice-President
WILLIAM H. MONROE.....	Assistant Cashier
EDWARD S. THOMAS.....	Assistant Cashier
HENRY A. HOWLAND.....	Assistant Cashier
JOHN P. OLESON.....	Assistant Cashier
H. H. HEINS.....	Assistant Cashier
A. C. C. TIMM.....	Assistant Cashier
JOHN F. HAGEY.....	Assistant Cashier

First Trust and Savings Bank

Statement of Condition at Commencement of Business, June 8, 1911

ASSETS

Bonds.....	\$24,283,191.40
Time Loans on Collateral.....	16,408,386.89
Demand Loans on Collateral.....	\$10,554,504.78
Cash and due from Banks.....	10,900,945.26
	21,455,450.04
	\$62,147,028.33

LIABILITIES

Capital.....	\$ 2,500,000.00
Surplus and Undivided Profits.....	3,648,689.69
Reserve for Interest and Taxes.....	86,768.41
Time Deposits.....	\$41,015,023.68
Demand Deposits.....	14,896,546.55
	55,911,570.23
	\$62,147,028.33

JAS. B. FORGAN.....	President
EMILE K. BOISOT.....	Vice-President
LOUIS BOISOT.....	Trust Officer
ROBERT D. FORGAN.....	Treasurer
DAVID V. WEBSTER.....	Secretary
BURT C. HARDENBROOK.....	Manager Bond Department

FRANK M. GORDON.....	Asst. Manager Bond Department
ROY C. OSGOOD.....	Asst. Trust Officer
ROBERT L. DAVIS.....	Mgr. Real Estate Dept.
ORVILLE PECKHAM.....	Attorney
EDW. E. BROWN.....	Asst. Attorney

Continental and Commercial National Bank

OF CHICAGO

Statement of Condition at Close of Business, Wednesday, June 7, 1911

RESOURCES

Loans and Discounts.....	\$121,046,672.93
Bonds, Securities, etc.....	13,462,895.14
U. S. Bonds to Secure Circulation.....	8,446,593.75
Real Estate.....	30,961.54
Stock Com'l Nat. Safe Dep. Co. (Bank Building) at par.....	1,597,500.00
Overdrafts.....	5,095.06
Due from Banks and U. S. Treasurer.....	\$ 27,777,337.70
Cash.....	42,887,011.74
	70,664,349.44
	\$215,254,067.86

LIABILITIES

Capital Stock Paid in.....	\$ 20,000,000.00
Surplus Fund.....	8,000,000.00
Undivided Profits.....	2,285,337.05
Reserved for Taxes (payable in 1912).....	234,453.40
Circulation.....	8,280,600.00
Deposits.....	176,453,677.41
	\$215,254,067.86

GEORGE M. REYNOLDS, Pres.	WM. T. BRUCKNER, V.-Pres.	H. ERSKINE SMITH, Asst. Cash.
RALPH VAN VECHTEN, V.-Pres.	WM. G. SCHROEDER, Secretary	JOHN R. WASHBURN, Asst. Cash.
ALEX. ROBERTSON, V.-Pres.	NATHANIEL R. LOSCH, Cashier	WILSON W. LAMPERT, Asst. Cash.
HERMAN WALDECK, V.-Pres.	HARVEY C. VERNON, Asst. Cash.	DAN NORMAN, Asst. Cash.
JOHN C. CRAFT, V.-Pres.	GEO. B. SMITH, Asst. Cash.	FRANK L. SHEPARD, Auditor
JAMES R. CHAPMAN, V.-Pres.	WILBER HATTERY, Asst. Cash.	
	EDWARD S. LACEY, Chairman of Advisory Committee	

Continental and Commercial Trust and Savings Bank

CHICAGO

THE CAPITAL STOCK OF THIS BANK IS OWNED BY THE STOCKHOLDERS OF THE CONTINENTAL AND COMMERCIAL NATIONAL BANK OF CHICAGO

Statement of Condition of this Bank at Commencement of Business, June 8, 1911

RESOURCES

Time Loans (secured by collateral).....	\$ 5,046,782.71
Demand Loans (secured by collateral).....	\$4,975,686.03
Bonds and Stocks.....	6,466,653.82
Due from Banks.....	5,849,487.42
Cash on Hand.....	2,058,817.26
Demand Resources.....	\$19,350,644.53
	\$24,397,427.24

LIABILITIES

Capital Stock.....	\$3,000,000.00
Reserved for Taxes and Interest.....	155,875.10
Undivided Profits.....	734,546.42
Demand Deposits.....	\$11,868,603.94
Time Deposits.....	8,638,401.78
	\$20,507,005.72
	\$24,397,427.24

GEORGE M. REYNOLDS, President	CHAS. C. WILLSON, Cashier	WM. P. KOPF, Asst. Secretary
JOHN JAY ABBOTT, Vice-President	FRANK H. JONES, Secretary	GEO. B. CALDWELL, Mgr. Bond Dept.
The combined deposits of these banks on March 7, 1911, date of Comptroller's call, were.....		\$187,901,957.25
Their combined deposits at this date are.....		196,960,683.13

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

ILLINOIS GROUP MEETINGS NEXT WEEK

Groups Two and Three, Illinois, will be held next week. Group Two will meet at Peoria on Thursday, June 22d, and Group Three will meet at DeKalb on Wednesday, June 21st. Good speakers have been secured and good entertainment will be provided.

The Chicago Title and Trust Company is trustee for bond issue loan for \$300,000, for ten years at 5 per cent, to Liquid Carbonic Company, secured by its local real estate and new plant, which is the largest of its kind in the country.

Des Moines, June 15.—Des Moines National banks gained in deposits over \$2,000,000 from June last year to the June call, June 7, 1911. While one of the banks shows a slight decrease as compared to the deposits at the time of the March call, that institution shows a splendid gain as compared to its condition a year ago. Figures as completed the day of the last call showed a gain during the year of \$891,912.48 for the Des Moines National; \$700,000 for the Iowa National; \$481,193.83 for the Valley National. The Citizens National shows a gain as compared with March of \$92,249.33.

Predicts Better Times

Lee Stevens, president of the Century Savings, Des Moines, in an address to the Des Moines Credit Men's Association, declared that there is no foundation for rumors of approaching panics. He predicted better times in the fall. Mr. Stevens criticized the farmers for holding on to their grain for higher prices while borrowing money to make investments outside of Iowa or to invest in automobiles. He declared that there is thus a case of "all a going out and nothing coming in." "The big interests are withholding their capital from investment on account of the session of congress and the attitude of the supreme court towards trusts," said Mr. Stevens. "A great deal of money is in circulation in the East. Chicago and New York never had better times than they are having right now. Iowa will have stupendous crops next fall, so every indication shows, and Iowa will be prosperous next winter. Panics are far removed from Iowa or the nation."

The New First National

One of the attractions for bankers at the I. B. A. convention at Mason City this week was the handsome new sixth story First National building which was thrown open to the public only a fortnight ago. A reception was held Saturday night during which time the building was inspected and pronounced all right. The structure cost \$150,000. The banking room proper is 56 by 107, with rooms, halls and vestibules furnished in mahogany. The building is fireproof and the bankers who inspected it gave their approval in hearty terms.

Find Loop Hole in Law Taxing Moneys and Credits

Bankers have found a loop hole in the new law taxing moneys and credits. They have discovered that when the real estate investments of a bank exceed the capital stock, the shareholders do not have to be listed with the county assessor. Only one Des Moines bank was "wise" to this fact. That was the Capital City State which has more realty investments than capital. Consequently that institution was the only one which did not file a list of its stockholders with the assessor. The provision is undoubtedly made to prevent double taxation. Many Des Moines bankers objected to the publicity given their stockholders by reason of the filing of the lists and publication of the latter by a Des Moines newspaper.

Death of Anthony Burdick

Anthony Burdick, aged 74, pioneer banker at Davenport and eastern Iowa, is dead. He was president of the First National at Davenport until January 1st, when he retired to be succeeded by former Congressman Dawson. He

had been president of the institution since 1887. He was also president of the Davenport Savings. The deceased was born at Erie, Pa., in 1837. He went West when young and located in Rock Island in 1856. Later he removed to New Boston and did not settle in Davenport until 1869. He had been ill for some time. Last winter he started to Honolulu for his health but was advised by physicians to return home as he would not be able to stand the voyage. The funeral was held Wednesday. The presidents of the various banks of Davenport were pall bearers. The employees of the Davenport Savings and First National attended in a body. Both institutions closed at 1:30 P. M. for the remainder of the day.

Decision of Iowa Supreme Court

The Iowa supreme court in an interesting opinion held last week that in assessing capital stock in a corporation, invested in real estate, the value of the latter shall be deducted from the capital stock. The Valley Investment Company of Des Moines has appealed to the court in a case with the city and the city won. The decision is regarded as important in the bearing it will have upon the new moneys and credits bill passed by the last legislature. The Valley Investment Company is incorporated for \$98,000. It claimed that as this was invested in real estate, the capital stock was exempt from taxation. The city assessor valued the real estate at \$90,000, deducted this from \$98,000 and assessed the \$8,000 remaining. The lower court sustained the bank and cancelled the assessment on the latter but the supreme court reversed the lower court.

Bank Changes

An important deal was consummated at Waterloo when F. F. McElhinney sold his interest in the Waterloo Loan and Trust to W. R. Jameson and purchased the Jameson interests in the Citizens Savings Bank of Waterloo. B. J. Howrey also sold his interests in the bank, purchased stock in the trust company and becomes active president with Mr. Jameson, secretary and treasurer. Mr. McElhinney is president of the Citizens Savings while C. W. Illingworth is cashier. E. A. French purchased a block of stock in the institutions and becomes one of the directors. He also becomes vice-president and will be active manager of the institution along with Mr. Illingworth.

Resigns Cashiership

F. Y. Whitmore, for nearly thirty years cashier of the State Bank of West Union, has withdrawn from that position and will gradually seek to lessen up the strain of hard work. He will be chairman of the executive committee and will thus retain his active interest in the institution. A. J. Gurney who has been with the institution since 1887 becomes cashier succeeding Whitmore while Frank Kingsbury is made assistant cashier. The institution is one of the strong northeastern Iowa banks.

R. T. Wellslager

R. T. Wellslager last week celebrated his fiftieth year in active banking circles in Des Moines. Mr. Wellslager is now a director in the Central State but for many years was more actively connected with the institution and has always been identified with the banking interests of the city. He was first made cashier of the B. F. Allen Bank, the first Des Moines bank fifty years ago.

The First National Bank

DAVENPORT, IOWA

Capital \$200,000 Surplus \$200,000

Deposits \$1,373,716.63

A. F. DAWSON	-	-	-	-	President
JOE R. LANE	-	-	-	-	Vice-Pres.
LEW. J. YAGGY	-	-	-	-	Cashier
W. J. HOUSEMAN	-	-	-	-	Asst. Cashier

WE HAVE A SPECIAL COLLECTION DEPARTMENT AND REMIT
ALL COLLECTIONS SAME DAY PAYMENT IS MADE

Iowa National Bank

DES MOINES - IOWA

Capital \$1,000,000.00

AND AFFILIATED BANK

Des Moines Savings Bank

Capital \$200,000.00

Total Deposits \$10,036,299.24

Same Officers. Same Room.

HOMER A. MILLER, President

H. S. BUTLER, Vice-President

H. T. BLACKBURN, Cashier

THE MERCHANTS NATIONAL BANK

OF

CEDAR RAPIDS, IOWA

OFFICERS

JOHN T. HAMILTON	-	President
P. C. FRICK	-	Vice-President
JAMES E. HAMILTON	-	Vice-President
EDWIN H. FURROW	-	Cashier
H. N. BOYSON	-	Assistant Cashier
R. C. FOLSOM	-	Assistant Cashier
M. J. MYERS	-	Assistant Cashier

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The leading Architects and Engineers throughout the country specified

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1. Patented feature of spraying in flat solid sheets.
2. Bar and lock, swinging spoon, brass spray nozzle.
3. Automatic flushing and cleansing control.
4. Vertical self-cleansing, non-perforated baffle plates.
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We absolutely guarantee NOT to saturate the air—thus insuring a low normal humidity during summer, ranging from 60 to 70 per cent, and NOT 90 per cent.

WASHED AIR Eliminates re-decorating, cleaning and dusting, increases the efficiency of your employees, sweetens the disposition of your clients.

Write for beautiful illustrated 80-page "ACME" booklet

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Attend State Convention

Des Moines was well represented at the state convention at Mason City. It was proposed to attend in a special car but this did not materialize. Among the delegation from Des Moines were G. E. MacKinnon, vice-president of the I. B. A. and P. W. Hall, secretary; Homer Miller of the Iowa National; Arthur Reynolds of the Des Moines National; Simon Casady of the Central State; Frank Flynn of the Peoples Savings; James O'Donnell of the German Savings; J. A. McKinney of the Capital City State; C. T. Cole, Jr., of the Valley National; George Pearsall of the Citizens National; Lee Stevens of the Century Savings; A. C. Miller of the Home Savings; and G. D. Ellyson of the Commercial Savings.

Banking Notes

One of the social events of the season in northern Iowa was the wedding at Marathon last week of Miss June Allison, daughter of Cashier J. E. Allison of the First National of that city to Mr. Roy A. Jarnagin of Cedar Falls. The young couple have gone to Idaho

to take charge of extensive fruit orchards owned by the father of the groom.

The George M. Bechtel Company of Davenport was the highest bidder for county bonds of \$158,000 issued by Dubuque county. There were two Chicago bidders and one from St. Louis. The successful firm gives a premium of \$4,740.

The Citizens Bank at Storm Lake has become the First National; it had existed as a private institution owned by Schaller and Son since its organization in 1902. Fred Schaller is president; A. D. Baillie is vice-president; George Schaller, cashier; R. A. Jones, assistant cashier. The capital stock is \$75,000.

The State Bank at Maxwell has a live "attention drawer" in the shape of a \$1,000 window curtain. This particular window shade is composed of sixty ten-dollar bills and twenty twenty-dollar bills. The bills are all of the issue of the First National of Collinsville, Okla., of which J. M. Colburn is president.

The German Savings of Des Moines, at its annual meeting last week, elected Jesse O.

Wells president, succeeding the late James Watt. J. C. O'Donnell was made vice-president and John Hogan was made cashier. An eight per cent dividend was declared.

The Hubbard State at Hubbard has filed articles with the secretary of state. The capital stock is \$15,000. D. E. Byam is president, C. E. Albright is vice-president, C. A. Byam is cashier.

The German Savings at Davenport has let the contract for its new structure at Third and Main to Milwaukee contractors.

The Louisa County Savings at Columbus Junction has filed articles of incorporation with the secretary of state. The capital stock is \$30,000. F. G. Coffin is president, C. A. Carpenter, vice-president, E. R. Lacey, cashier.

The Waterloo Loan and Trust Company has increased the capital stock from \$100,000 to \$250,000. The usual 5 per cent semiannual dividend was declared. Ben. J. Howrey was elected president; J. W. Arbuckle, vice-president; G. B. McWilliams, vice-president; W. R. Jameson, secretary; R. A. Dunkelberg, treasurer; A. E. Smith, cashier.

Fort Dearborn National Bank

CHICAGO

Report of Condition at the Close of Business, June 7, 1911

RESOURCES		LIABILITIES	
Loans and Discounts	\$16,044,489.70	Capital Stock paid in	\$ 2,000,000.00
Overdrafts	4,183.82	Surplus and Undivided Profits	616,188.25
United States Bonds, par value	1,000,000.00	Circulation	1,000,000.00
Other Bonds and Securities	590,560.41	Dividends Unpaid	196.50
Real Estate	1,000.00	Deposits	23,137,746.88
Due from U. S. Treasurer	55,102.50		
Cash and Sight Exchange	9,058,795.20		\$26,754,131.63
	\$26,754,131.63		

OFFICERS

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Assistant Cashier CHARLES FERNALD, Assistant Cashier
THOS. E. NEWCOMER, Assistant Cashier
H. LAWTON, Manager Foreign Exchange Department

DIRECTORS

JOHN A. KING, WALTER S. BOGLE, CHARLES A. PLAMONDON, CHARLES W. HINKLEY, GUSTAV FREUND, CALVIN H. HILL, RICHARD FITZGERALD, RAYMOND W. STEVENS, C. A. BICKETT, WM. A. TILDEN, NELSON N. LAMPERT, J. FLETCHER FARRELL, HENRY R. KENT.

Fort Dearborn Trust and Savings Bank

CHICAGO

Report of Condition at the Commencement of Business, June 8, 1911

RESOURCES		LIABILITIES	
Loans on Collateral	423,928.21	Capital Stock	\$ 250,000.00
Bonds	415,233.18	Undivided Profits	3,057.32
Cash on Hand and in Banks	172,339.27	Time Deposits	758,443.34
	\$1,011,500.66		\$1,011,500.66

OFFICERS

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President JOHN E. SHEA, Cashier

We solicit accounts of Banks, Corporations, Firms and Individuals, and we endeavor to give prompt and efficient service by personal and courteous attention to our customers.



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**Rock
Island**

\$100,000 NATIONAL BANK FOR ALABAMA

Washington.—The comptroller of the currency has approved the applications to organize the Commercial National Bank of Demopolis, Ala., capital \$100,000, and the Copenhagen National Bank, Copenhagen, N. Y., capital, \$25,000.

The Dime Savings Bank of Detroit (Mich.) proposes to increase its capital from \$500,000 to \$1,000,000. It is proposed to provide for a part of the increase by a 20 per cent stock dividend and sell enough other new shares at 160 to bring the capital up to the higher total.

Pittsburgh

The current statement of the Mellon National Bank of Pittsburgh shows that this institution earned \$150,000 between statements, including the payment of a dividend of 1½ per cent on its increased capital, which also became effective since the last statement, the capital being increased from \$4,000,000 to \$6,000,000.

Police Magistrate Corrigan refused to hold Thomas Latimer, the Pittsburgh banker; Henry DeRidder and John Phillips, arrested on June 9th, charged with being fugitives from justice.

The charge was that the trio had entered into a conspiracy to defraud in connection with the purchase of coal lands in West Virginia.

Latimer declared that the arrest was the result of a conspiracy to harass him. Phillips is a mining expert of Richmond, England, and DeRidder comes from London.

F. W. Julin

F. W. Julin, formerly of the Bankers Engineering Company, has opened an office in the Hartford Building, 8 South Dearborn Street. The business of this firm is to design bank buildings, fixtures and vault work and are general contractors for same. He has the contract for the new Austin Avenue State Bank, Oak Park, and the Maywood State Bank of Maywood, Ill. Having handled the new Wendell State Bank, Union Bank of Chicago, Kirby Savings Bank, Bethany State Bank, Bethany,



F. W. JULIN
Bank Fixture Contractor, Hartford Building, Chicago

Ill., Farmers and Merchants State Bank of Kilbourn, Wisconsin, and several others they are fully capable to handle any size contract and have many letters from the bankers showing their appreciation of the way he handles their new work. The country banker is invited to send in any request for information about anything he wishes to buy and they will give him the correct data on same at no expense to him.

The American Exchange National Bank, of New York, will pay on and after July 1, 1911, the principal and interest on the registered bonds of the state of Illinois, due July 1, 1911.

Philadelphia

First Vice-President Richard L. Austin of the Girard National Bank has gone to Europe and will be away until August.

H. T. Montgomery is now treasurer and H. F. Shermer assistant treasurer of the Savings Fund Society of Germantown.

The comptroller of the currency on June 9th issued a call for a statement of conditions of the national banks as of June 7th. Statements of the local banks issued in response to the call generally showed large gains in deposits as compared with the showing three months ago. The Philadelphia National's deposits increased \$7,000,000 and now total \$52,436,237. Those of the Franklin increased \$3,600,000. Girard National's deposits increased \$1,700,000. The usual gains are shown in surplus and undivided profit accounts.

The Penn National Bank (Philadelphia) directors have elected Melville G. Baker a director and vice-president, and Allison Sharp an assistant cashier.

FOREMAN BROS. BANKING CO.

110 La Salle St.

Statement of the Condition at the Commencement of Business
June 8, 1911

RESOURCES

Loans and discounts.....	\$8,151,051.34
Overdrafts.....	12,502.54
Stocks and bonds.....	188,759.79
Cash on hand and in banks.....	4,087,150.39
Total.....	\$12,439,464.06

LIABILITIES

Capital.....	\$1,000,000.00
Surplus.....	500,000.00
Undivided Profits.....	63,475.50
Deposits.....	10,875,988.56
Total.....	\$12,439,464.06

EDWIN G. FOREMAN, President
OSCAR G. FOREMAN, Vice-President

GEORGE N. NEISE, Cashier
JOHN TERBORGH, Ass't Cashier

THE NATIONAL BANK OF THE REPUBLIC

OF CHICAGO

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS, JUNE 7, 1911

RESOURCES

Loans.....	\$17,876,476.84
United States Bonds at par.....	1,111,000.00
Cash and Exchange.....	9,902,279.56

Total..... \$28,889,756.40

LIABILITIES

Capital Stock Paid in.....	\$2,000,000.00
Surplus.....	1,000,000.00
Undivided Profits.....	313,977.40
Reserved for Taxes.....	7,000.00
Currency in Circulation.....	1,097,400.00
Bond Account.....	29,000.00
Deposits.....	24,442,379.00
Total.....	\$28,889,756.40

OFFICERS—JOHN A. LYNCH, Pres. W. T. FENTON, V.-Pres. R. M. McKINNEY, Cashier
O. H. SWAN, Asst. Cash. JAMES M. HURST, Asst. Cash. W. B. LAVINIA, Asst. Cash.
W. H. HURLEY, Asst. Cash.

BOARD OF DIRECTORS—JOHN A. LYNCH, President; CHARLES H. CONOVER, Vice-President; H. V. FARWELL, Pres. J. V. Farwell Co.; H. W. HEINRICH, Vice-President M. D. Wells Co.; ROLLIN A. KEYES, Pres. Franklin MacVeagh & Co.; ROBERT MATHER, Chairman Westinghouse Electric and Mfg. Co.; JOHN R. MORRISON, President Peter Cooper's Glue Factory, Pres. Atlas Portland Cement Co.; HENRY SIEGEL, President Simpson-Crawford Co., N. Y.; E. B. STRONG, Capitalist; LOUIS F. SWIFT, President Swift & Co.; FRANK E. VOGEL, Vice-President Siegel, Cooper & Co.; W. T. FENTON, Vice-President.

STATEMENT OF CONDITION OF THE LIVE STOCK EXCHANGE NATIONAL BANK OF CHICAGO

AT THE CLOSE OF BUSINESS, JUNE 7, 1911

RESOURCES

Loans and Discounts -	\$7,572,249.93
Overdrafts - - - - -	375.21
United States Bonds -	100,000.00
Other Bonds - - - - -	307,275.00
Cash and Due from Banks	5,459,668.57

\$13,439,568.71

LIABILITIES

Capital Stock - - - - -	\$1,250,000.00
Surplus - - - - -	400,000.00
Undivided Profits - - -	146,108.28
Reserved for Taxes - - -	12,420.30
Circulation - - - - -	98,600.00
Dividends Unpaid - - -	197.50
Deposits - - - - -	11,532,242.63

\$13,439,568.71

OFFICERS

W. A. HEATH, President G. A. RYHER, Vice-President
G. F. EMERY, Cashier A. W. AXTELL, Asst. Cash. H. E. HERRICK, Asst. Cash.

DIRECTORS

J. Ogden Armour
James H. Ashby
Samuel Cozzens
W. A. Heath
Arthur G. Leonard
Edward Morris
Charles M. Macfarlane
H. E. Poronto
G. A. Ryther
J. A. Spoor
Edward F. Swift

ESTABLISHED 1879

State Bank of Chicago

S. E. Cor. La Salle and Washington Streets

CONDENSED REPORT, JUNE 8, 1911

RESOURCES

Loans and Discounts.....	\$18,567,816.39
Overdrafts.....	10,970.29
Bonds.....	1,611,255.25
Cash and Due from Banks..	7,999,420.40
Total.....	\$28,189,462.33

LIABILITIES

Capital Stock.....	\$1,500,000.00
Surplus (Earned).....	1,500,000.00
Undivided Profits.....	465,670.22
Reserved for Interest and Taxes....	122,500.00
Deposits.....	24,601,292.11
Total.....	\$28,189,462.33

OFFICERS:— L. A. GODDARD, President; JOHN R. LINDGREN, Vice-President; HENRY A. HAUGAN, Vice-President; HENRY S. HENSCHEN, Cashier; FRANK I. PACKARD, Assistant Cashier; C. EDWARD CARLSON, Assistant Cashier; SAMUEL E. KNECHT, Secretary; WILLIAM C. MILLER, Assistant Secretary.

BOARD OF DIRECTORS:— DAVID N. BARKER, Manager Jones & Laughlin Steel Co.; J. J. DAU, President Reid, Murdoch & Co.; CALVIN DURAND, President Durand & Kasper Co.; THEO. FRFEMAN, Retired Merchant; L. A. GODDARD, President; H. G. HAUGAN, Ex-Comptroller Chicago, Milwaukee & St. Paul Ry.; OSCAR H. HAUGAN, Manager Real Estate Loan Department; JOHN R. LINDGREN, Vice-President; WM. A. PFETERSON, Proprietor Peterson Nursery; GEO. E. RICKARDS, Chicago Title & Trust Co.; MOSFES J. WENTWORTH, Capitalist.

YOUR BUSINESS INVITED

Report of the Condition of the WESTERN TRUST & SAVINGS BANK CHICAGO, ILLINOIS

At the Commencement of Business, June 8, 1911

RESOURCES

Loans and Discounts.....	\$8,117,023.62
Bonds.....	636,880.63
Overdrafts.....	125.65
Cash and Sight Exchange.....	3,167,336.43
Furniture and Fixtures.....	12,000.00
Total.....	\$11,933,366.33

LIABILITIES

Capital.....	\$1,250,000.00
Surplus and Profits.....	203,658.45
Deposits.....	10,479,707.88
Total.....	\$11,933,366.33

OFFICERS

JOSEPH E. OTIS, President
WALTER H. WILSON, Vice-President
WILLIAM C. COOK, Vice-President
LAWRENCE NELSON, Vice-President
HARRY R. MOORE, Cashier
ADDISON CORNEAU, Ass't Cashier
A. E. COEN, Assistant Cashier
W. G. WALLING, Secretary
LLOYD R. STEERE, Assistant Secretary
LOUIS H. SCHROEDER, Mgr. Bond Dept.
Directors. Edgar A. Bancroft, Scott, Bancroft & Stephens; William C. Boyden, Matz, Fisher & Boyden, Attorneys; William Butterworth, Pres. Deere & Co., Moline, Ill.; R. Floyd Clinch, Crerar, Clinch & Co., Coal; H. J. Evans, Director National Biscuit Co.; Joseph Downey, Real Estate; C. H. Hanson, Pres. C. H. Hanson (Inc.); W. O. Johnson, Gen'l Counsel and Director Erie R. R.; John R. Mitchell, Pres. Capital National Bank, St. Paul, Minn.; Joseph E. Otis, President; Ralph C. Otis, Real Estate; B. F. Peek, Trustee Est. C. H. Deere, Moline, Ill.; James W. Stevens, Pres. Illinois Life Ins. Co.; Fred W. Upham, Pres. City Fuel Co.; W. A. Wieboldt, W. A. Wieboldt & Co., Department Store; Walter H. Wilson, Vice-President; Geo. Woodland, Pres. Prairie State Bank.

Report of the Condition of the Drovers Deposit National Bank Union Stock Yards - CHICAGO

At the Close of Business, June 7, 1911

Resources

Loans and Discounts.....	\$5,627,329.36
Overdrafts.....	1,741.39
United States and Other Bonds.....	743,348.56
Cash and Due from Banks.....	3,764,815.76
Total.....	\$10,137,235.07

Liabilities

Capital Stock, paid in.....	\$600,000.00
Surplus and Profits.....	443,233.07
National Bank Notes Outstanding.....	441,600.00
Reserved for Taxes.....	2,935.24
Deposits.....	8,649,466.76
Total.....	\$10,137,235.07

OFFICERS

EDWARD TILDEN, President
JOHN FLETCHER, Vice-President
GEORGE M. BENEDICT, Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, Assistant Cashier

DIRECTORS

EDWARD TILDEN WM. A. TILDEN L. B. PATTERSON
AVERILL TILDEN JOHN FLETCHER

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FOR SALE—Bank Fixtures and Safes.

For Sale—1. An outfit of mahogany and iron fish scale (two cages) fixtures and a burglar-proof Hall safe with Yale double time lock and combination inside case lock, outside measure 29x25 and 40 high. The First National Bank of Mattoon, Illinois. (Deposits One Million.)

2. A similar outfit of oak and iron fixtures (no cages) and a Hall combination fire and burglar-proof safe 36x36 and 46 high. The Mattoon National Bank of Mattoon, Illinois. (Deposits One-half Million.)

For Sale. At a great sacrifice, beautiful mahogany and marble bank fixtures complete with grills, cages, counters, etc., suitable for a banking room containing about 3500 square feet of floor space. Also a safety deposit vault, containing 2514 boxes of various sizes with mahogany coupon rooms, wall desks, etc. For further particulars address F. G. Fisher, 450 Railway Exchange, Chicago, Illinois.

FOR SALE—Miscellaneous

Parties with \$100,000

Can buy large control in National Bank in important city of Pacific Northwest. Conditions unusually favorable. Legitimate reasons for selling. Will treat only with principals in person. Address B-36, care of Chicago Banker.

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/2 inch Goerz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

AT LAKE TAHOE

(Continued from page 18)

country hold about nine hundred and fifty million dollars of reserve cash. That held by other banks of the country brings the total up to about fifteen hundred million. A substantial part of this would doubtless be rather promptly deposited. The government deposit at the present time would be a total of about one hundred million dollars. If enough banks subscribed to provide a paid in capital of \$100,000,000 and deposited say \$600,000,000 cash, turning over \$500,000,000 of U. S. bonds, the National Reserve Association's balance sheet would show thus:

RESOURCES

Cash for payment of capital.....	\$ 100,000,000
Cash deposit by the government.....	100,000,000
Cash deposits by banks.....	600,000,000

Total cash	800,000,000
U. S. bonds	500,000,000

\$1,300,000,000

LIABILITIES

Circulation (bank notes).....	\$ 500,000,000
Deposits	700,000,000

Total demand liabilities....	\$1,200,000,000
------------------------------	-----------------

Capital	100,000,000
---------------	-------------

\$1,300,000,000

There would be \$800,000,000 money reserve against \$1,200,000,000 deposit and note liability. If 50 per cent be regarded as a normal reserve, \$600,000,000 would suffice for the \$1,200,000,000 liability, leaving \$200,000,000 available as reserve for new deposit liabilities to be created by rediscounts for its customers to the extent of \$400,000,000, or the association could rediscount to the extent of \$1,200,000,000 and still have 33 1/3 per cent reserve.

Reserve Money would Accumulate

One feature which perhaps does not present itself at first glance is that all the reserve

money of the country would tend ultimately to find its way into the association's vaults. As depositing banks would ship currency to it from time to time, gold and gold certificates would not be re-shipped upon subsequent calls for currency, its own bank notes being sent instead. The gold certificates would be presented at the United States treasury, and the actual gold taken over by the association, the gold certificates being cancelled. Through this continuance process, substantially all the gold money in the country, that in the United States treasury, that in the reserves of banks and that now in the pockets of the people, would find its way into the vaults of the association, whose bank notes would gradually form the main body of our currency.

The Greenbacks

If authorized by law the association could redeem and cancel the \$346,000,000 greenbacks, which have been such a disturbing factor and have caused us such incalculable loss, taking over the \$150,000,000 gold now held as reserve against them and crediting it in special account, charging against that account the amount of greenbacks redeemed, and crediting the excess profits accruing to the government until the greenbacks were all cancelled and the account balanced.

Benefit the Pacific Coast

While the establishment of the National Reserve Association would be of incalculable benefit to the commercial interests of the whole country, yet it appears to me that you on the Pacific Coast would have proportionately the greatest benefit. You are far removed from the financial centers, yet like other sections, dependent upon them. Your products all go forward to market within a comparatively brief season, and your banks must finance this movement without the advantage enjoyed by banks in eastern centers of using the surplus funds flowing from one section to aid in financing the requirements of another. Distance adds to your difficulties in the longer time in transit of your shipments and the

longer time before you receive returns. With a branch in your midst, however, time and distance, your greatest handicaps, would be eliminated so far as the enjoyment of the benefits of the association would be concerned. In case of need you would turn to your branch to convert your liquid commercial assets into credits subject to check and these at will into bank notes. The whole power and service of the National Reserve Association would be at your command to exactly the same extent as if you were on the Atlantic seaboard.

I believe that this suggested plan will bear the most critical economic analysis, and that it would fortify our banking institutions and give stability to our commerce to a degree beyond our present conception. European economists, familiar with scientific banking systems, tested by time and crises, approve it, though they have ridiculed our present system and wondered at our long endurance of it. In the importance of benefits to our commerce, nothing approaches that of establishing in this country a sound and scientific banking system.

WILLIAM A. LAW TO PENNSYLVANIA BANKERS

(Continued from page 15)

in our favor. In many lines of manufacturing the prevailing high prices for raw materials have retarded distribution. In some lines heavy stocks of goods are still being carried by manufacturers to their distress. Especially in textiles, conditions have placed upon the shoulders of the manufacturer a heavy burden which would be comparatively light if subdivided and distributed upon those of numerous jobbers and retailers in the form of larger stocks.

Probably many of these economic changes are in a measure the result of the panic of 1907 and are partly due to the too rapid recovery from its effects in 1908 and 1909. To those of us conducting banking operations in reserve and central reserve cities, the prevailing low interest rates, especially on call funds, during the last six months have sharply reduced earnings. But an excellent opportunity has been afforded for liquidation and house cleaning. Operations in the speculative markets have been in greatly diminished volume.

We frequently suffer from over-production of various sorts; over-production of mining products and manufacturing goods in certain lines; over-production of special and conflicting legislation; over-production of yellow journalism and cheap fiction; over-production of swollen fortunes; over-production of hastily prepared corporations and indigestible securities. The worst vice of American business men is ambitious over-extension; over-expansion and congestion in our cities. We are always short of food products and farmers; of servants and laborers.

In our special business (banking), the most striking recent developments have been in the enlarging scope of clearing house functions. Formerly restricted to the narrowest lines of operations, the clearing house associations in our reserve and central reserve cities have, by sheer force of circumstances in time of stress and strain, broadened and increased their usefulness. They have discarded the motto "Am I My Brother's Keeper?" and have hung in its place the device, "Behold, how good and how profitable it is for brethren to dwell together in unity." In many cities they are now exercising supervision over all their members through a system of examination, which will probably tend eventually to standardize methods of operation. The recent admission of trust companies to clearing house membership in New York is another notable step forward.

Another development of recent months has been the retirement of nearly all the old lead-

Convention Dates

MASSACHUSETTS—Swamscott, June 20 and 21; Secretary, G. W. Hyde, Boston.

MARYLAND—Deer Park, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MINNESOTA—Bemidji, June 21; Secretary, Charles R. Frost, Minneapolis.

CONNECTICUT—New London, June 21 and 22; Secretary, C. E. Hoyt, South Norwalk.

NORTH CAROLINA—Lake Kanuga, June 21, 22 and 23; Secretary, William A. Hunt, Henderson.

NEW YORK—Manhattan Beach, June 22 and 23; Secretary, W. J. Henry, 11 Pine St., New York.

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WEST VIRGINIA—White Sulphur Springs, July 11 and 12; Secretary, J. S. Hill, Charleston.

COLORADO—Denver, July 11 and 12; Secretary Preston T. Slayback, Denver.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

NATIONAL CONVENTION—American Institute of Banking, Rochester, New York, Sept. 7, 8 and 9.

WASHINGTON—Wenatchee, September 14, 15 and 16; Secretary, P. C. Kaufman, Tacoma.

INDIANA—October 25 and 26; Secretary, Andrew Smith, Indianapolis.

ILLINOIS—Springfield, October.....Secretary, R. L. Crampton, Chicago.

AMERICAN BANKERS' CONVENTION—New Orleans, November 20 to 25; Headquarters, St. Charles Hotel; Secretary, Fred. E. Farnsworth, 11 Pine St., New York.

ers among the bank presidents of New York. In that city, younger men have been promoted to the presidency in banks controlling more than one billion dollars of resources.

Our association now has a gratifying membership of 1,100. We can exercise a power for good if our efforts are properly and wisely directed. Are we reaching the limit of our practical usefulness? We are learning to know each other; we are thus overcoming the prejudice that arises from non-acquaintance. We are acquiring new methods and new devices in banking. We are preventing hostile legislation by the exercise of reason and diplomacy, and by the firm refusal to use money. Our group system is well planned and in excellent hands. But are we using all of our machinery to its capacity for the common good? Do we utilize fully the opportunities afforded by our conventions and group meetings for practical discussions and co-operative action? The clearing house associations are teaching us all lessons in co-operation. We must apply these lessons to each coterie of banks in its special community; that is, the lesson of mutual helpfulness, of united action and unselfishness. We can thus bring about greater profit, not by greed, but by practical co-operation in the prevention of waste and loss. We cannot affect any combination to maintain or increase discount rates. The steady decrease in rates is inevitable, though fluctuations are constant. We may co-operate to avoid loss through mercantile failures, preventable by the sharing of credit information; or loss by the non-employment of funds in one section of the country when another section is hungry to use them and able to give security for their safe return at maturity; or loss by the payment of excessive interest on deposits in competing for accounts.

This naturally brings us to the consideration of the most important event of the period, to-wit: The announcement of the proposed plan of the monetary commission for the establishment of the Reserve Association of America. We have emphasized it in our proceedings as it is unquestionably the biggest proposition before the American people to-day, and embodies the first practical, scientific and comprehensive plan for a banking system ever proposed in this country. It involves the idea, not of centralization, but of federation; not of militarism, but of democracy. It embodies the retention of nearly every essential feature of our present system and contemplates an association owned by our banks, both national and state, under a management selected by them, and carefully guarded against control by the politicians or the big interests; the abolition of the independent treasury, an elastic and responsive currency, and the strict confinement of operations to commercial banking. Our banking machinery must be so remodeled that call loans to speculative concerns do not furnish our principal mode of securing liquidity of assets; that the value of the products of our eight million farms, the corn, wheat, cotton and cattle, shall not be seriously affected by mishaps in the plans of a few speculators in mining or industrial securities in our metropolis.

EMISON CHANSLOR, ST. LOUIS, DEAD

St. Louis, June 13.—Emison Chanslor, cashier of the Union Station Bank and former state bank examiner, died at 12:40 o'clock this morning at his home, after a protracted illness of a complication of diseases.

Mr. Chanslor was 50 years old and was born in Lexington, Mo. He served as cashier of the Fourth National and as assistant cashier of the American Exchange and about fifteen years ago was state bank examiner. Mr. Chanslor was the organizer of the Union Station Bank.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

very trying but Mr. Carpenter will survive. He felt so certain of Curtin's election to the presidency of the Iowa Association that he wasn't worrying. Among other things he signed for a compartment on the New Orleans special, not having missed one of the A. B. A. talkfests, not for 'steen years.

UNION BANK OF CHICAGO has closed a ground lease of 198 years on the premises at 25 North Dearborn Street and has purchased the building for \$100,000 and will occupy it as a permanent home, the entire transaction approximating \$1,000,000.

THIS was the home of the former Illinois National. The officers of the bank are Charles E. Schlytern, president; Nilson Arneson and John H. Rydell, vice-president, and G. Hallbom, cashier. The capital stock is \$200,000, the surplus \$25,000 and deposits \$1,500,000. The capital stock will be increased to \$500,000 at a meeting of stockholders to be held July 11th to cover the expenses of the deal. The new stock will be paid in at \$130 a share, of which \$75,000 will be added to the surplus, making it \$115,000 in all, and \$15,000 will go to the profits.

PPRIVATE, uninspected banks can fail in any country. The Birkbeck Bank, England, hadn't issued a statement of its condition for two years when it failed and didn't have to. Liabilities are \$44,380,000. The failure was due largely to the growing distrust in England in that kind of banking.

BANKERS TRUST COMPANY has been appointed depository in New York under the protective agreement in the matter of consolidated mortgage 5 per cent gold bonds of the Metropolitan Street Railway Company of Kansas City, Mo.

A BANK building to cost \$100,000 is being constructed on Milwaukee Avenue, at the northwest corner of Division Street, which is being built for the Northwestern Trust and Savings Bank, which has outgrown its quarters at 1152 Milwaukee Avenue. The new building will be of the monumental type, with the appearance of one story on the outside, but in reality two stories. The exterior will be of white terra cotta with mahogany finish inside.

OFFICIALS of the Burlington have announced a through passenger train to be operated between Chicago and San Francisco beginning June 18th. This move on the part of the Burlington to establish through passenger service to the California metropolis is in line with similar plans carried out by other roads.

THE meeting of the members of Group Five, Illinois, Corn Belt Group, held at Pontiac, June 9th, was well attended and chuck full of interest from the time the smoker was called together at the Elks' Club the evening of the 8th until the last act of the convention on the afternoon of June 9th, when Dr. W. E. Taylor, soil expert for Deere & Company of Moline, finished his splendid address on better farming methods. Brother Durham of Onarga was on hand and successfully launched the official song for Group Five. "Illinois" and "America" were also sung with good effect.

J. H. EDWARDS, vice-president Washington Trust & Savings, Seattle, called on Chicago banking acquaintances June 7th.

L. T. MORRIS, cashier of the Citizens' National, Watertown, S. D., attended the Sioux Falls convention and afterwards traveled into Chicago for a brief business trip, calling on a few of his acquaintances Saturday and returning to Watertown that evening.

C. HELPENSTELL, president of Group One, Illinois, is a poet. Note his announcement of the Moline meeting:

"The Moline bankers have generously consented to entertain us in their progressive city, therefore, our executive council, in its sublime wisdom, has decided to hold our group meeting in that great industrial center on June 27, 1911."

HELPENSTELL "banks" in the rival town of Rock Island and the "sublime wisdom" in reality consisted of accepting Moline's invitation without Moline knowing anything about it. Nelson H. Greene and his friends jumped in and fixed it up so that all who go will be proud of the day.

FURTHER quoting the Rock Island poet: "Let Group One remember its tradition! It was in Moline where the spirit of the group uttered its first feeble cry for modern protection and progressive organization. To honor the day of our birth and to be loyal to our individual interests, it is imperative that we accept the generous invitation tendered us by the Moline bankers to enjoy a most delightful outing on the 'Father of Waters.'"

HERE'S another good outing. Group Three, Wisconsin, will meet at Green Lake, Wednesday and Thursday, June 21st and 22d. Golf, fishing, bathing and oratory, together with a good hotel. Can you beat it? Ernest J. Perry Fond du Lac is president.

THE Bard of Onarga "came back" at the Group Five, Illinois, meeting at Pontiac. He had written a song and with the aid of the delegates it went off like a cannon. The first verse (tune Battle Hymn) ran:

We're here to sing the praises of Group Five of Illinois

The best old group no matter what our sorrows or our joys

We represent the Corn Belt and we're proud to be the boys

Of our great and good Group Five.

GROUP ONE, Indiana, at Fort Wayne, will meet Tuesday June 20th. C. H. Worden, president of the state association, D. B. Johnson of Mooresville, W. G. Edens, Chicago, and D. A. Wasmuth of Roanoke, are the speakers.

A MAN tells us, and he traveled out to South Dakota and back with him, that G. M. Reynolds not once mentioned the Hibernian bank or its absorption by his own, although he talked banking and the National Reserve Association plan the whole way. Mr. Reynolds is a talker from talkerville but when it comes to telling secrets he simply doesn't know how.

GOING to California, just after his biggest consolidation, he predicted the C. & C. would reach \$250,000,000 in ten years. In a little less than one year, it hasn't far to go. Isn't Chicago likely to have the first half-billion bank?

"PINCHED for fast driving" was the big head-line in the Clinton, Iowa, paper on Monday and the offender (or victim) was none other than John Fletcher of the Drovers, Chicago. John was en route to the Mason City convention and was in a hurry.

C. B. MILLS and J. H. Ingwersen seemed to have advance information of what is likely to happen to the Fletcher racer, for they were "on hands" to give bonds and enjoy the young financier's discomfiture. Go easy in Clinton!

SECOND NATIONAL, of Bucyrus, Ohio, kept open house in their new bank building, June 10th. The whole town turned out. Bucyrus is one (there must be a dozen) of W. G. Edens home towns. Honest!

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71¢
PAYS MONEY



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Completes the Transaction

money-saving argument of labor-saving equipment, especially when our machine must make good on your own counter.

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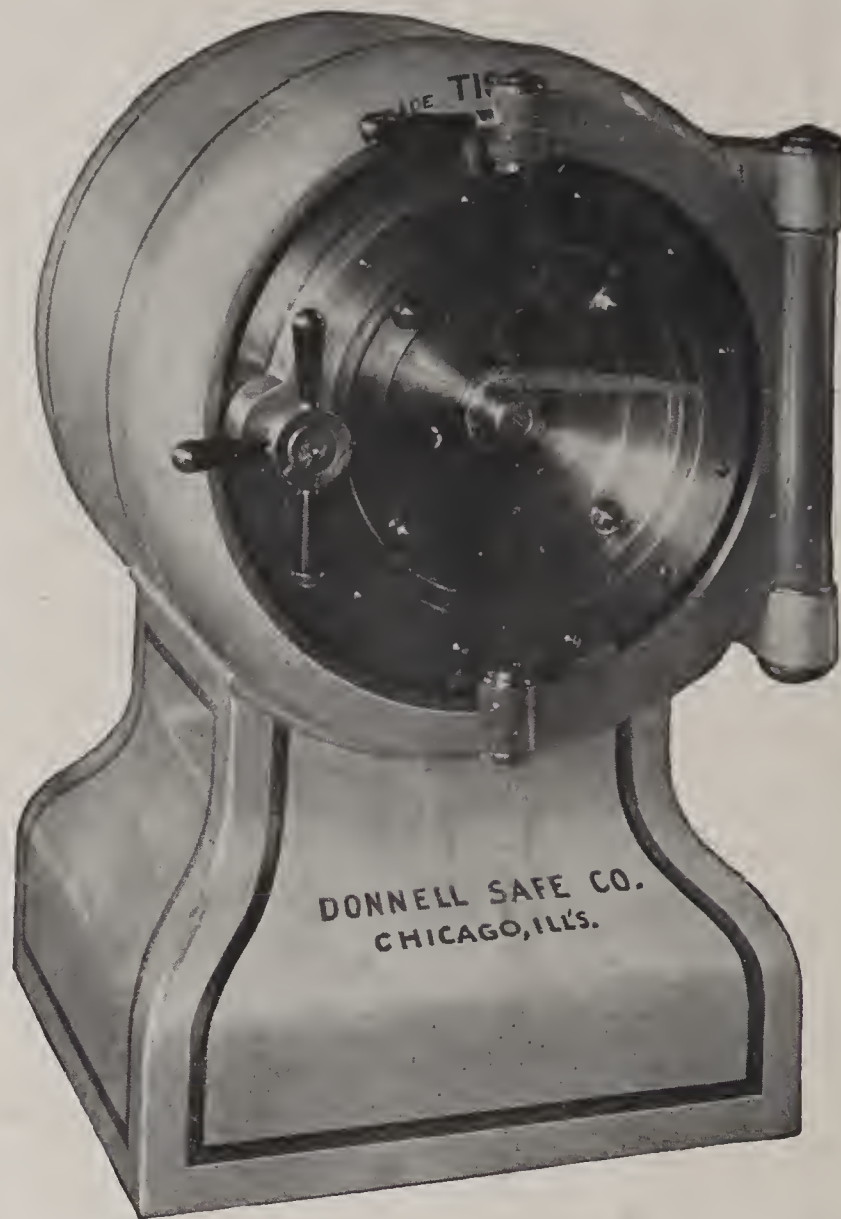
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Deposits, May 6, 1911 - - 29,031,750.04

OFFICERS

ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

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General Western Agents for the York Safe & Lock Co., who have the best equipped safe factory in America. Their Manganese safes are superior to any in the market and we will furnish you with insurance for \$3.50 per thousand for three years. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal if not superior to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

FOURTH STREET NATIONAL BANK OF PHILADELPHIA, PA.

Capital - - - \$3,000,000.00
Surplus and Profits - - 6,400,000.00

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E. F. SHANBACKER, President	R. J. CLARK, Cashier
JAMES HAY, Vice-President	W. A. BULKLEY, Assistant Cashier
B. M. FAIRES, Vice-President	W. K. HARDT, Assistant Cashier

The Girard National Bank OF PHILADELPHIA

Capital, - - - \$2,000,000.00
Surplus and Profits, 4,450,000.00
Deposits, - - - 38,500,000.00

FRANCIS B. REEVES, President	
RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JUNE 24, 1911

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Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

North Dakota

The only state convention listed for next week is that of the North Dakota Bankers Association which will be held in Fargo, June 27th and 28th. It is expected that George M. Reynolds of this city will speak on the National Reserve Association plan following much in the same lines that he has adopted before conventions. Secretary MacFadden has secured a large number of prominent speakers and the program calls for a high class of entertainment in a social way. Among those who will address the convention are: J. W. Lusk of St. Paul on "The Reserve Association Plan"; Hon. J. E. Phelan of Bowman (N. D.) on "The Foundation of Confidence"; H. T. Graves of Jamestown (N. D.) on "The Evil Results of Too Much Credit"; W. P. Snyder of Hebron (N. D.) on "Modern Methods of Utilizing North Dakota Lignite Coal"; Senator J. L. Cashel of Grafton (N. D.) on "Banking"; Senator H. H. Steele of Mohall (N. D.) on "Reserve Cities"; Hon. J. N. Kohl of Towner (N. D.) on "Better Examination and Bank Supervision"; Senator J. E. Stevens of Northwood (N. D.) on "Merchants Point of View of Financial Matters"; Senator W. B. Overson of Williston on "Northwestern North Dakota"; T. S. Hunt of LaMoure on "Conservation of the Financial Resources of the Community and the Banks' Relation Thereto"; O. M. Corwin of Minneapolis on "Good Farming and Its Relation to the Bankers of North Dakota."

DAWSON FAVORS BANKING REFORM

A resolution, providing for a more elastic currency system, unity and co-operation among banks, and the unification of bank reserves, was introduced by Hon. A. F. Dawson, president of the First National of Davenport, at the concluding session of the Mason City convention.

Mr. Dawson introduced his resolution after the committee on resolutions had reported without referring to any national currency reform. In a 15 minute speech he argued for the resolution on the floor of the convention and it was finally adopted. It follows:

"Resolved, That we (Iowa Bankers Association) earnestly favor the enactment of legislation that will give the country a permanent currency system which will provide (1) such elasticity as will respond to the varying needs of business at different seasons of the year, and as carefully safeguarded against inflation as against stringency; (2) the association of all banks into a nation-wide system, rather than one of scattered units, to obtain unity and co-operation, and which shall be secure against political domination or the control of concentrated wealth; (3) the unification of bank reserves so that they can, in time of stress, be made available where most needed; together with such other additions as will give the country immunity from the disastrous money panics of the past and assure the transaction of the rapidly increasing business of the nation with safety and security."

A bank has been organized at Rison, Arkansas, with capital stock of \$25,000.

Two of the Presiding Presidents



L. A. HUNTOON
MOORHEAD, MINNESOTA



W. C. WILKINSON
CHARLOTTE, NORTH CAROLINA

Mr. Huntoon has devoted much time to the problems being worked out by the Minnesota Bankers Association. He is a progressive, and has favored, and earnestly worked for, the admirable new laws put on the books by the influence of the association. His annual address in this issue is one of the best papers of the year.

Mr. Wilkinson has been, during his term, a hard worker and in his closing address advocated the preparation of a new banking law by the association forces, to be offered to the legislature. The southern states, under the leadership of such men, will soon have advanced banking laws and safer banking conditions than ever before.

POLITICS TALKED AT BEMIDJI

Bemidji, Minn., June 21.—Carried in special trains of ten Pullman cars, 190 bankers of Minnesota arrived in Bemidji at 6:45 A. M. to-day. Regular trains brought in hundreds of others, so that when the convention was called to order at 9:30, 400 Minnesota men of finance were present. Chief among the visitors were former United States Senator Lafe Young, of Des Moines, who is to speak to-night, and James A. Tawney of Winona, former congressman.

"It is not for me to say whether President Taft can be elected in 1912, but I feel satisfied that he will be nominated," said Mr. Young. Although Mr. Young is opposed to reciprocity, which he says will pass the senate in an unamended form, he still has great confidence in the President.

"The people are going to hesitate before they turn the White House over to the democrats," continued Mr. Young. "They may trust them for a while with the lower house. Woodrow Wilson is a good man, but folks don't think so much of his party."

Mr. Tawney, who never has been in the northern part of the state before, was guarded in his remarks, except so far as they related to the initiative, referendum and recall, on which subject he will address the bankers, con-

demning these propositions as dangerous to good government.

POSITION OF ILLINOIS BANKS

According to the abstract of the reports of the 544 state banks operating under Illinois charters there has been an increase of upward of \$31,000,000 in deposits compared with the returns on 525 banks on March 8th. In this three-month period there has been an increase of upward of \$5,000,000 in capital and surplus and undivided profits, while the total cash and due from banks increased \$12,358,000 and the percentage of reserves to deposits averages 30.40.

F. O. WATTS GETS FIRST NUMERICAL TRANSIT MACHINE

President Frank O. Watts of the American Bankers Association will be the first user of the new Burroughs Transit Machine perfected especially for use with the numerical transit system adopted by the executive council at its meeting in Nashville in May.

Hartselle, Ala.—Thurman Smith has been elected assistant cashier of the Bank of Hartselle.

Continental and Commercial National Bank OF CHICAGO

Capital \$20,000,000

Officers

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JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary
EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Surplus and Profits \$10,000,000

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENT

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
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\$250,000.00**

THAD. H. HOWE - - - President
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Special terms for inactive balances

WESTERN TRUST & SAVINGS BANK

CHICAGO, ILLINOIS

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A. E. COEN, Asst. Cashier
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OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-five years rendered efficient and Quick Service to its Correspondents

Resources, Eight Million Dollars

Officers

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EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

ONE lone man has made a kick because the New Orleans Train de Luxe isn't going to run through Hoopeton this year. You see, it's this way. The Nashville train ran through Hoopeton and the transportation committee, knowing Who's Who in the Illinois Bankers Association decided to take an occasional train through Onarga. You can't fool that transportation committee.

WE hear that the vendors are after George M. Reynolds. One had Gaelic folk songs and love, another had membership cards in the Clan na Hibernian, and the best of all was a set of disc records containing "Irish in ten lessons," in the true, depositors' brogue.

OWING to a misunderstanding he had with the starting crank of a big six cylinder car, John L. Hamilton, down at Hoopeton, is nursing a broken wrist. Had it been a political machine, and well oiled,—but you see it was different.

MINNEAPOLIS papers are having a lot of fun (new series) over the Taft summer home at Minnetonka yarn, at "Archie" Crane's expense. Crane is so much of a gentleman that he pretends to like it, but he doesn't. Anyhow when it comes to looks, graceful carriage, etc., the chief executive isn't in it with A. A.

NORTH CAROLINA bankers were wise enough to make ten day reservations at Lake Kanuga, including the convention dates. Most of them will remain at the resort from June 19th to the 28th. The convention dates were June 21st-30th.

COMBINED deposits of First National and First Trust at St. Joseph, Mo., are bobbling around four and one-half millions. The affiliated banks offer every form of financial service to customers.

FIRST NATIONAL and its Savings Bank of Peoria, are in their new building. Capital and surplus of the two banks are \$1,200,000, with total resources of \$7,000,000.

A. V. HUNTER is the new president of the First National, Denver. F. G. Moffatt has been advanced to the vice-presidency and C. S. Houghwaut, cashier.

LOUIS G. KAUFMAN, president of the Chatham and Phenix National, New York, was the first to register at the Detroit convention. He is an ex-president of the Michigan association and president of the First at Marquette. He also is a member of the Big Council for Michigan.

SPEAKING of conditions Mr. Kaufman said that the past six months have been the quietest New York bankers and business men have known since the disturbance of 1907, and that the quiet is likely to continue with little or no expansion in factories, stores, or other enterprises for which business men borrow money.

"BUSINESS is marking time now and it has been for six months," he said. "Merchants and business men are borrowing

no money. Investment in bonds has furnished almost the only activity in New York financial circles for a long time. The rate on short time loans has been for some months in the neighborhood of 2 per cent, and that in itself shows that there have been no big investments in stocks."

"GEORGE M. REYNOLDS, ex-secretary of the treasury" is the way the Detroit papers described Chicago's big bank consolidator. The job mentioned wasn't quite to G. M.'s liking.

ROBERT WILLIAM BONYNGE, at the Detroit convention, expressed our sentiments quite neatly. He said: "A mistake was made, I believe, in having Mr. Aldrich formulate and promulgate the reserve association proposal, for so much has been said about him and such an attitude against him among the people created, that his fathering of the reform has been without doubt a detrimental influence."

NEW Michigan officials are C. J. Monroe, Kalamazoo, president; vice-president, B. F. Davis, Lansing; attorney, H. H. Smith, Detroit; treasurer, Benjamin Dansard, Monroe; secretary, Mrs. H. M. Brown, Detroit.

IF you even asked a Michigan banker what he thought about having a woman for secretary you'd be put off the boat. The record made by Mrs. Brown can't be beat by any of the men. She's able, discreet, attentive to duties, doesn't usurp the functions of the committees and officials and the earnings, in proportion to expenses, show her business capacity to be A1. Michigan bankers are loyal to Mrs. Brown.

MICHIGAN decided to admit brokers to membership—those who conduct their business as the bankers think it ought to be done.

WE hear that Judge Montgomery has a constitution, fully twice as large as the Woodruff edition. Hope it isn't a campaign document?

A PIPE-SMOKING proof reader made us say of the young and handsome Homer Miller of Des Moines: "His popularity and influence in the state make him a pioneer in Northwest banking." For "pioneer" read "power" and it will make sense. They can't make the place where most proof readers go too hot for this one.

"ADDRESSES" by John Perrin" is another one 'round the neck of the same goat.

PENNSYLVANIA sentiment at the Philadelphia convention was strong for the reserve association plan.

OFFICERS elected at Philadelphia are president, A. J. Hazeltine of the Warren Savings, Warren, who has been the vice-president of the association; vice-president, A. S. Beymer, cashier of the Keystone National of Pittsburgh and treasurer Horace G. Mitchell of the Peoples National at Langhorne.

THE trust company section of the association elected the following officers: President, C. M. Willock, of the Fidelity Title & Trust Co. of Pittsburgh; secretary, W. A. Wilcox, of the Scranton Trust Co.; treasurer, Robert Wilson, of the Savings & Trust Co. of Indiana, Pa.

MICHIGAN water dogs had a great time on their annual jaunt on the big lakes. On their way from the Detroit convention over to Buffalo, a steam cylinder blew out, and C. Q. D.'s were sent out thick and fast. A rescue without fatalities was effected by a sister ship.

TWO or three years ago the Michigan bankers, on one of their annual tours went aground on a barren island. But you can't stop them. "Commodore" Livingstone has them too well broken in.

ANDREW SMITH, secretary for Indiana, is a useful secretary far beyond the common. He prepares and sends out the group programs and later sends separate and well prepared accounts of the meetings to all the financial papers. You see he's just a first class secretary and not a "distinguished visitor" at the groups.

OF COURSE, we've often told you of the pikers and "vice-presidents" with their traveling companions, who go out for certain New York financial papers. Well, even at home they're catching on, and eventually they will be almost as wise as western bankers who read this column and pretty nearly know who's who in that line.

SECRETARY WILLIAM J. HENRY has decided, so far as the New York association is concerned, to put an end to certain abuses, such as crowding the banquet table with undesirable persons, is concerned.

SECRETARY HENRY has issued one card to each financial paper in his diocese and the "privileges" will be extended only to those having such credentials. Even at the council banquets of the A. B. A. the "vice-presidents" and their friends are the first to go in. They rush the door, just as they did at Nashville, at Briarcliff and at Atlantic City.

M. HENRY in explaining his new system of beating the deadbeats says: "Former experiences render it advisable to protect ourselves and the real financial papers against individuals representing themselves as connected with their offices." There you have it officially. The commission solicitors and hold-ups are to be flagged.

IN OUR modest opinion Col. Farnsworth should issue some such advanced credentials to the right persons and at banquets, boat and automobile rides stop those who have no rights.

EVEN "receptions" held at private houses, dances and the like, have been mercilessly invaded by these impostors.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Capital, Surplus and Profits
\$3,000,000



La Salle and Monroe Streets
CHICAGO

THE NATIONAL BANK OF THE REPUBLIC

Conducting a legitimate commercial banking business in the city of Chicago, believes it can meet the requirements of the most discriminating bankers.

JOHN A. LYNCH, President
R. M. MCKINNEY, Cashier
JAMES M. HURST, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. H. HURLEY, Asst. Cashier

THE FIRST NATIONAL BANK OF CHICAGO

Capital and Surplus, \$20,000,000.00

Offers its unexcelled facilities acquired through forty-seven years of experience and believes that the special service maintained for the care of bank accounts will prove of distinct value and attractiveness to banking institutions.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

TO BANKERS

As the center of the largest financial, grain, lumber, jobbing and manufacturing interests of the growing Northwest, Minneapolis is the logical point for the reserve and correspondent accounts of bankers in this territory. With prestige gained in forty-six years of service and growth, with Capital and Surplus of four million dollars, and with special facilities for handling the business of bankers.

The First National Bank of Minneapolis
is the logical Twin City connection.

Resources, \$26,000,000.00

F. M. PRINCE, President
C. T. JAFFRAY, Vice-President
A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President

D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President

CHARLES L. HUTCHINSON, Vice-President

FRANK W. SMITH, Cashier

D. A. MOULTON, Vice-President

JOHN C. NEELY, Secretary

CHAUNCEY J. BLAIR, Vice-President

J. E. MAASS, Assistant Cashier

B. C. SAMMONS, Vice-President

JAMES G. WAKEFIELD, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Clarence Buckingham
Edward A. Shedd
Edward B. Butler

Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair
Clyde M. Carr

Better than Any Individual Executor or Trustee

In handling estates, either as Executor or Trustee, this Company has many advantages over any individual in like capacity.

Permanence: Its organization is perpetual. An individual may die or move away.

Investing Experience: Its facilities and resources far excel those of any single person.

Accessibility: Open every business day of the year. Individuals come and go.

Efficiency: Offers the service of a trained organization, guided by the personal judgment of its Board of Directors.

Security: It is under State supervision, bonded for half a million and backed by a capital and surplus of \$3,000,000.

THE NORTHERN TRUST COMPANY

Capital, \$1,500,000

Surplus, \$1,500,000

Northwest Corner La Salle and Monroe Streets

CHICAGO

Central Trust Company of Illinois

152 Monroe Street, Chicago

Accounts of Banks and Bankers received upon liberal terms

Capital and Surplus \$2,500,000

CHARLES G. DAWES, President
WILLIAM R. DAWES, Cashier
A. UHRLAUB, Vice-President
E. F. MACK, Vice-President
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MALCOLM McDOWELL, Assistant Secretary
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JOHN L. LEHNHARD, Assistant Trust Officer

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T. W. ROBINSON, Vice-President Illinois Steel Co.
CHANDLER B. BEACH, C. B. Beach & Co.
GEO. F. STEELE, Nekoosa-Edwards Paper Co.
JULIUS KRUTTSCHNITT
CHARLES G. DAWES, ex-Comptroller of the Currency

Progress in Banking

Jos. T. Talbert, of New York, eloquently reviews our advances before Manhattan Beach convention

Quite a tribute was paid Jos. T. Talbert, late of Chicago, but now a vice-president of an important New York bank, in giving him the place of honor on the program for the New York bankers convention at Manhattan Beach. Mr. Talbert represented the metropolitan district and did it very ably. "Progress in Banking" was the assigned topic and the improved and amended National Reserve Association plan, in prospective, was given the place of honor. Mr. Talbert eloquently and unreservedly indorsed it and called upon the convention as a whole to do the same.

Continuing Mr. Talbert said:

We pass now to other steps of progress which have been made in banking in recent years. The review not only is encouraging, but the outlook is hopeful. The first important and decisive step was taken by the clearing house banks of the city of Chicago (at W. T. Fenton's suggestion—Ed.) after the failure of the Chicago National Bank and its allied trust company and savings bank, in instituting a system of examinations of the members of the clearing house under the authority of the clearing house association. Suddenly and without warning the associated banks of Chicago were confronted by the necessity of assuming and paying on demand the liabilities of a member bank amounting to more than twenty million dollars, and taking over its assets of unknown or indeterminate value, on the one hand; or of suffering the humiliation, on the other hand, of permitting a member whose business was large and important to fail, and consequently to incur criticism and possibly public distrust and discredit of the banking methods of all the other members. They wisely chose the former course, and paid the creditors of the failed bank in full. It was a costly experience. True to human nature, they proceeded then securely to lock the doors against contingencies of that character in the future. They engaged a competent man to examine frequently and thoroughly the members of the clearing house and all banks clearing through the members. The purpose of this was to keep the committee fully advised as to the actual condition and as to the character of the assets of every member of the association and of all outlying banks enjoying through the members the privileges of clearing. This scheme was in time adopted by the banks in a number of other cities, in more or less modified forms; and it has recently been voted upon and adopted, and shortly will be established and made effective, among the banks in New York City. The subcommittee appointed by the clearing house committee to investigate and report upon the practicability of establishing a system of clearing house examinations among the banks in New York City found to their great satisfaction that wherever in any city such a system has been installed it has been successful beyond all expectations. Banking conditions have been greatly improved; mutual confidence of local bankers in one another has been established, and in every instance the members themselves and those clearing through them are thoroughly satisfied, and none was found willing to

abandon the practice of having their own examinations.

It may not be inopportune to point out here, and to make clear not only to you as bankers but to the depositing public, especially of this community, that in adopting a system of self-inspection a clearing house does not at all undertake to guarantee the soundness of the assets nor to insure the correct conduct of the business of the members. All responsibility in that respect is expressly disclaimed; but it is not too much to say that it is believed and expected, in view of the satisfactory experiences elsewhere, that under the plan of self-examination shortly to be established in New



JOS. T. TALBERT
Vice-President National City Bank, New York

York City it will be possible to maintain a condition of soundness and liquidness among the members, not possible without it. That the result in the end will be most beneficial to the banks themselves and satisfactory to the public is not to be doubted. It is a long step and one which has been wisely and carefully taken towards the insurance of good, sound and safe banking in this community. The clearing house committee which accomplished it, and especially its chairman who initiated it, deserve the thanks no less of this community than of the whole country. No less do they deserve public thanks for bringing into the clearing house and placing under examination and control the trust companies of New York. The ultimate benefit of this to the people of the city and of the whole country scarcely could be overestimated. It is one of the wisest and most important steps yet accomplished.

I wish again, however, to emphasize the fact, and to direct especial attention to it, that no system of examinations or of supervision under clearing house authority or any other authority can prevent acts of bad judgment or of dishonesty, nor can they prevent occasional

failures of banks. Let no one be deceived on this point. But clearing house examinations wherever introduced and efficiently administered can and will by their restraining influences, reduce those evils to a minimum and prevent any general condition of unsoundness or of bad banking to prevail, just as certainly as modern sanitation, isolation and health inspection may be depended upon to prevent the serious spread of contagious diseases. An occasional death may occur, but there can be no epidemic.

The next important step has been the general elevation to a higher plane of the methods and management of national banks throughout the country. This has been accomplished through the persistent and determined efforts of the comptroller of the currency. He has brought it about in the first case by dropping out of the service all incompetent examiners and by insisting upon thorough and efficient work. Fitness and capability have been the necessary qualifications of his examiners. He has divided the United States into a number of districts, in each of which he has appointed an examiner to be chairman, and he requires the examiners in each district to hold meetings from time to time to compare notes and mutually to give and receive the benefits of experience. He has appointed examiners-at-large, and has himself gone out into the field and worked with the examiners, assisting, advising and instructing them in the details of their work, and determining from personal observation those who are fittest. He has brought about co-operation in nearly all the states between his office and the state banking departments and between his examiners and state bank examiners, so that there is no longer that feeling of jealousy between them which existed in former years. He has also made it possible to have allied state and national banks examined simultaneously, and has in every possible way encouraged and promoted co-operation between his office and that of the state banking department. He has caused his examiners to bring directly to the attention of the directors of a bank under examination all matters and things subject to criticism or unfavorable comment. The effect of this has been highly beneficial to the banks. He has eliminated dishonest bank managers and officers whenever and wherever he has found them and through these and numerous other similar measures he has done much to improve the condition of the national banks of the country and to place them upon a sounder basis than they have ever been. Ninety-five per cent of the criticism, technical and otherwise, heretofore found necessary, has been dispensed with, and he has publicly stated that practically every national bank in the United States now is in a satisfactory condition. The few which are not are subject to the strictest supervision. This is saying a good deal, but it is as it should be. He has put a stop to the operations of bank promoters and has declined to give charters to persons of ill repute, or to any person who has been associated either with a state or national bank in the past which failed. For

all these things, and for others which he has in contemplation, it is not too much to say that he has done more to elevate the standard of banking and to improve the efficiency of bank examinations and the character of bank management, both state and national, than any and all comptrollers who have preceded him. He recently has given a conspicuous example of personal sacrifice to public duty, and for this as well as for the other things he has done, he deserves the thanks, the confidence and the lasting gratitude of every banker, business man and bank depositor in the United States. Probably the most important progressive move he yet has made, among many which stand out conspicuously, is the effort he is now making to induce the banks in every reserve city of the United States to employ their own examiners. Not only does he not discourage the newly-discovered system of self-inspection among clearing house banks, but he is big enough to encourage and to help along the movement to the point of insisting upon it, and even to the extent of proposing to allow his own well-trained and most experienced men to make examinations for clearing house committees in the smaller cities (of course, at their own expense) where it would be impracticable on account of the greater expense to maintain a competent private examiner. You gentlemen, as bankers, whether your banks are located in reserve cities or not, and the bankers of the whole country, should support Comptroller Murray in this important and courageous stand, not only by your voices, but by your actions in showing preference in the designation of your reserve agents to banks located in those cities which accept and conscientiously enforce this modern, wholesome and effective measure of reform. It is to be hoped that bankers everywhere will do so, and that the banks in at least every reserve city may thereby be obliged to adopt it. It is difficult to imagine how any reserve city can long stand out against it because it marks progress, and is a real, vital and very necessary reform.

Now we come to a review of the final and most important of all the steps in banking progress which in this generation we shall be called upon to take. I refer, of course, to the enactment of a law along the lines proposed to the National Monetary Commission which shall create and establish a permanent and adequate banking system in the United States. Of all the experiences of the panic, bitter and costly as some of them were, perhaps the most needed and effective was the proof it afforded that strength and safety are to be found in combination. It proved also that although our system may be good enough in normal times, it is a failure in times of panic, because every unit among thousands in the system is compelled at the expense of every other unit to shift for itself; and to fight for its life and safety, regardless of the welfare of others. It was demonstrated that wherever three or four banks (even though they were small and weak), were gathered together in the name of a "clearing house association," they could, in this combination of reserves, find not only strength and safety for themselves, but help for their customers and for the communities which they served, by giving mutual support to one another. In effect this meant the "pooling of their reserve cash" for mutual benefit. If this can be done safely even in small communities where only a few banks are involved, how much more safe and effective might the combination of all the banks of the whole country be made through the agency of the proposed National Reserve Association. The protective and defensive strength of such an organization is nearly incalculable.

The general terms of the plan undoubtedly are familiar to you, and I shall not discuss them, but I may say that if and when it is

enacted into law it would accomplish among other things the following objects, which are necessary for our own protection and essential to the achievement and maintenance of our proper position financially and commercially among the enlightened and progressive nations:

1. The centralization of the cash reserves of the nation, which in this central reserve association would become by far the greatest and most effective stock of gold in the world.

2. The eventual abandonment of our inelastic and unscientific bond-secured circulating notes.

3. The establishment of a discount system which will utilize the merchant loans and give to them immediate debt-paying power. It will thus vitalize the current credits of trade, which constitute the safest and soundest basis for bank note issues.

4. The absolute and automatic adjustment of volume of note issues to fluctuating business demands and to the temporary seasonal needs.

5. The conversion of the public debt from a false and fictitious basis to an investment basis, without loss to the government and without cost to the people. In this respect the proposal is a marvel of ingenuity as well as of simplicity.

6. It will secure to the country all the advantages of a great central bank of discount for all banks, without the disadvantages of government competition in banking and without the fear of political entanglements or of control by any financial group or set of interests. In this respect the proposed organization is admirable and beyond criticism.

7. It will conduct the fiscal affairs of the government without the locking up of money in the treasury at critical times to the embarrassment of banks and to the inconvenience of business.

8. The people, through the government, will share the profits of carrying on this business, which will be done with no liability to the government, no cost to it, nor any chance of loss.

9. The equalization of interest rates, the extension of discount privileges, and the ability to procure notes when needed by the banks in every section of the United States alike.

10. The ability to meet any sudden or unexpected strain upon the credits or reserves of

this country, whether arising internally or by reason of failures, wars or other disasters in foreign countries.

11. The association would possess all the strength and advantages of a branch bank system in its responsiveness to local needs, coupled with the greater advantage of having local interest and sympathy in the banks and of local control of each unit, which the branch bank system does not possess.

12. It would secure to a certain extent the unification of our state and national banking systems, through their common interest in and joint ownership of the central reserve association, and through the granting and extension to all classes of banking institutions, equal privileges, opportunities and advantages of stockholding and in dealing with the National Reserve Association, without impairing the rights of any class. It seems in this respect that when the diversified interests of our country are taken into account, and the number of states, each with its own system of banks, is considered, that the limit of ingenuity has been reached, and that nothing better, fairer or more comprehensive could be proposed.

13. The bed rock of soundness in banking is the ability of the banks to maintain cash payments. Through the power of the central reserve association to issue notes to banks in any community against the discount of their shortly maturing mercantile paper, the natural fear which every banker now has of being unable at times to procure the required notes will be removed, and there will remain no necessity of any bank hoarding an abnormal amount of cash reserve even in stringent times. This eliminates the underlying cause of that particularly aggravating trouble known as a "bankers' panic." Such panics nearly always end in more or less complete suspension of cash payments and result in the collapse of trade.

14. Through its power to raise and lower discount rates, a power which is now wisely used by such banks as the Bank of England and the Bank of France for the protection of their reserves, as well as for the benefit of the trade of their respective countries, the reserve association could and would protect our national stock of gold, which at present is wholly unprotected. This unprotected condition has subjected the business interests of our country many times to grave and unnecessary perils. It is not saying too much to assert that the inability of our treasury, and of the banks as independent units, to protect our gold stock, has cost this country more than the total amount of our national debt.

15. Through its power to purchase and accumulate international bills of exchange, and to sell them or to sell its own bills when exports of gold were threatened, and to hold such bills when the importation of gold became necessary or desirable, the Central Reserve Association would achieve an international position worthy of itself as a bank. It would compel the great banks of all other important countries to recognize it eventually as one of the most powerful factors in the world's commerce and one whose influence must always be taken into account.

16. The reserve association as proposed would not be an excrescence upon the national banking system; not merely an agency of discount for the national banks; but it would accomplish by legal organization, for the benefit of the public, normally, continuously and cheaply, what the banks have been obliged in a way to accomplish for themselves at great cost in times of distress through their clearing house organizations without possessing the equipment for it. I mean the unloosening, the quickening into life of the short-time mercantile credits which are locked up in the portfolios of banks, or lying dormant upon merchants' (Continued on page 18)

Diversified Investment

This Company suggests to careful investors the advisability of dividing their funds among bonds of various classes, in this way obtaining a well diversified investment. Investments made in this manner will possess the individual qualities of the respective classes in combination, thus making the investment well balanced. For instance, we own and offer a 5% railroad bond, a 6% short term note, a 4½% equipment bond and a 6% industrial bond, netting at present prices

**An Average Yield of
Over 5.35%**

We will furnish particulars of these on request.

Ask for our Circular D-124.

**Guaranty Trust Company
of New York**

28 Nassau Street

**Capital and Surplus - \$23,000,000
Deposits - \$144,000,000**



ANNOUNCEMENT

THE substantial growth of our business, which was founded in 1855, and the demand of our many patrons for bank facilities in all of its branches, has prompted us to organize under the laws of Illinois as a State Bank and Trust Company. Our business is now conducted under the title of

GREENEBAUM SONS BANK AND TRUST COMPANY CAPITAL \$1,500,000

We will continue to maintain the same conservative methods which have heretofore marked the development of our institution, and with increased facilities we respectfully solicit your patronage, assuring to all courteous and careful consideration to any business entrusted to our care.

DEPARTMENTS

COMMERCIAL BANKING DEPARTMENT—A general banking business conducted. Checking Accounts, Certificates of Deposit, Loans on approved collateral, Foreign Exchange and Letters of Credit.

TRUST DEPARTMENT—Acts as Executor, Administrator, Guardian, Conservator and Trustee under Deeds and Wills. Assumes management of property.

LOAN DEPARTMENT—Loans made on improved Chicago real estate; also for building purposes; Bond Issues underwritten; Central Realty Loans.

INVESTMENT DEPARTMENT—Sale of choice Chicago First Mortgages and Real Estate Bonds, which the Bank has first negotiated with its own funds, after having made a rigid investigation. We guarantee each loan to be a First Mortgage.

We are prepared to render efficient service of every nature consistent with legitimate banking.

OFFICERS

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President

HENRY E. GREENEBAUM

Vice-President

JAMES E. GREENEBAUM

Vice-President

WALTER J. GREENEBAUM

Cashier

MILTON E. FALKER

Assistant Cashier

M. E. GREENEBAUM, JR.

Secretary

JOHN GREENEBAUM

Secretary Investment Dept.

EDGAR N. GREENEBAUM

Secretary Loan Department

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of A. G. Becker & Co., Bankers

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Capitalist

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E. C. KOHLSAAT

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EDWARD MORRIS

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HENRY L. STERN

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HENRY E. GREENEBAUM

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JAMES E. GREENEBAUM

Vice-Pres. Greenebaum Sons Bank & Trust Co.

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111 Broadway

WE SPECIALIZE IN INVESTMENT BONDS

WRITE FOR OUR LIST OF OFFERINGS
SHOWING YIELDS FROM 4 TO 6 PER CENT.

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - - \$2,000,000

Surplus and Profits 500,000

Deposits - - 23,000,000

WM. A. TILDEN, President

NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President

HENRY R. KENT, Cashier

GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier

THOMAS E. NEWCOMER, Asst. Cashier

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
January 7, 1911	16,736,997.29
March 7, 1911	21,574,956.79

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

J. B. FORGAN TO CREDIT MEN

James B. Forgan, president of the First National of Chicago, gave the principal address at the meeting of the National Association of Credit Men at Minneapolis, last week.

He said the United States has no banking system worthy of the name and favored the adoption of the plan to establish a national reserve association in which banks belonging to local associations shall be stockholders and through which the banking system will secure the benefits of the branch plan.

Other subjects considered by delegates were adjustment bureau ethics, credit department methods, and co-operative retail credit reporting. Growth of local adjustment bureaus into sectional and national bureaus was predicted.

ILLINOIS GROUP MEETINGS

The members of Group Three met at DeKalb, June 21st and the members of Group Two at Peoria the 22d. The members of Group One will meet at Moline June 27th. Dr. W. E. Taylor, soil expert for Deere and Company, will fire the heavy artillery in a speaking way. The members of Group Four will meet at

Evanston in the Patten Gymnasium, June 29th. Luncheon served at the gymnasium, a few short talks furnished by the membership of the group, autoing and golf will be the order of the day. This completes the group work for Illinois this year.

Wm. T. Abbott, vice-president Central Trust Company, attended the Peoria group meeting on the 22d. Mr. Abbott formerly was a resident of Peoria, having been a member of the old Peoria law firm of Stevens, Horton and Abbott, and this is his first appearance at a Peoria bankers meeting since his advent in the banking business, now more than a year ago.

THE NORTHERN NATIONAL OF DULUTH

The Northern National Bank of Duluth with a capital of \$250,000 is making rapid gains. The president, J. L. Washburn, and J. W. Lyder, Jr., cashier, are interested in convention work and the bank was well represented at the Bemidji convention. Its statement issued at the close of business on June 7th shows that the bank has doubled its business since moving into its new and up-to-date quarters.

KASPAR STATE INCREASES CAPITAL

Stockholders of the Kaspar State Bank have authorized an increase in the capital of the institution from \$200,000 to \$400,000. The new stock is to be issued to present stockholders on July 1st at \$125 a share. Out of its present surplus and undivided profits the bank will pay an extra dividend of something more than \$70 a share, however, so that the real cost of the new stock will be between \$50 and \$55 a share.

On June 8th the bank reported a surplus of \$150,000 and net undivided profits of \$43,500, a total of \$193,500. It is the intention to distribute all but \$50,000 of this amount to stockholders. After July 1st the bank will have \$400,000 capital and \$100,000 surplus.

OFF TO BEMIDJI

J. W. Thomas, assistant cashier, Central Trust Company, left for Minneapolis Monday night to join the bankers who will travel by special train to Bemidji, Brainerd and International Falls for the annual convention of the Minnesota Bankers Association.

The North Penn Bank (Philadelphia) proposes to increase its capital to \$150,000.

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427 CHESTNUT STREET

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Surplus and Profits 1,446,000.00

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Dividends Paid - \$13,127,000.00

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Banking Not Private Business

President J. W. Miles tells Maryland bankers at Deere Park, that his State needs better bank supervision and lauds the New York law

We are met to-day in our sixteenth annual convention, under auspices most inspiring, in the midst of an enchanting natural environment, surrounded by conditions highly provocative of good cheer and a renewal of energies, and well calculated to make this meeting one of the most eventful in all the splendid history of this association. I congratulate you upon the outlook, and in behalf of the administration committee and our always diligent and faithful secretary and treasurer, I heartily thank you for ratifying our choice of this beautiful Maryland mountain resort, as our place of meeting, by an excellent if not unusual attendance upon this our opening session.

I was not a little surprised, in my investigation, during the past year, of the law defining the duties of bank officers, preparatory to the trial of an interesting case in one of our state courts, to find that while usage, by-laws or directorial votes, may confer upon him special functions, a bank president has inherently or by virtue of his office, but one power beyond that of any other director in his bank. This one function is to take charge of the litigation of the bank. More recently, after nearly a year's incumbency of the office, in reflecting upon the subject, I reached the conclusion that while the position is one of great dignity and honor the solitary function inherent in the office of president of the Maryland Bankers

Association, is to deliver what is called in your order of business, "The President's Annual Address."

In view of the excellent suggestions in past addresses of this kind, in view of what this association already has wrought, and in general terms, my advice is: Continue your efforts to elevate the standards of banking in Maryland. The Maryland Bankers Association enjoys the unique distinction of having, at some sacrifice and at no little cost, procured the passage of a law establishing a state banking department and providing for the better regulation of state banks, from a strangely unwilling and for some time, persistently hostile general assembly. This law secured, as I say, solely because of our efforts, is a comprehensive measure, but embodies after all, only such carefully considered and important provisions for the regulation of banks and banking in our state, as were imperatively demanded by the experience of the banking world, and as had existed for years in the banking laws of all the great states of the union. I therefore make bold to say to you, fellow bankers of Maryland, after much study and mature reflection upon the subject, that the legislation, which this very important act provides, although a long step forward, and furnishing many of the more important and well recognized safeguards, is nevertheless, exceedingly conserva-

tive; while reflecting great credit upon this association, in the full light of the history of its passage, is not yet that absolutely strong and safe bulwark, against unsafe and reckless banking, which under the direction of our efficient state bank commissioner, it should be our aim and purpose to construct. Unless I mistake the signs of the times, it behooves all progressive bankers associations, like our own, and bankers everywhere owe it to themselves, to be alert, diligent and zealous in their efforts to improve banking methods and to encourage all proper legislation looking to the improvement and final perfecting of the best possible system of effective regulation and supervision.

I would not be querulous or hypercritical in anything I may have to say to the members of this association. On the contrary, I am proud of the record which the Maryland Bankers Association has made; I glory in her achievements already wrought and exult in the fact that the whole history of banking in Maryland, not only reflects credit upon the citizenship of our state, but constitutes one of the brightest chapters in all the annals of American banking.

Having said this much in special praise of our history, I shall make bold, however, to further say that there is just one error quite too common to the banking fraternity: one blunder, I respectfully submit, into which some of

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those who have addressed the convention of the American Bankers Association, or who have written treatises in our defense in the great magazines and periodicals of the country, have been too prone to fall. It is this. We have gone too far, in our efforts to prevent unnecessary, unwise or harsh legislation, when we have denounced such legislation as attempts to interfere with "the private business" of the citizen and to regulate without right, his "personal affairs." When we go so far, we overlook the fact that the American bank is something more than the ordinary commercial house or place of barter and trade. I prefer to think that it is, and in fact, it is, in a certain sense, a public institution, and the American banker, whether he be bank president, cashier or director, is employed in a very large sense in a position of public trust.

Governor Woodrow Wilson, in his great address before the American Bankers Association in convention at Denver, in 1908, said that it was "the business of the banker to make the right impression and give the right instruction to the people of this country," and I go one step farther and say that it is the business, and should be recognized as the highest duty of American bankers to take the lead, as this Maryland Bankers Association has done, to constitute themselves public ser-

vants, in promoting all proper efforts to so regulate banking by legal enactment or otherwise, as to promote the interests of the country, the general welfare of all the people, the "public interests."

Dr. Wheeler, president of the University of California, speaking last year to the American Bankers Association, said that "the American banker has gone much farther than the English or German banker, in adopting the point of view of the public" and in learning "the needs and demands of those who stand outside the pale." I sincerely trust that this great scholar and university man has discovered the truth, because this way lies the path of honor and "by this sign, we conquer."

But I am indulging too much, I fear, in generalization, and whilst shrinking from the responsibility involved in specific recommendations, I cannot resist the temptation, which this occasion offers, to urge upon this association, the importance of following up the excellent work we have already accomplished, looking to the safeguarding of banking in our state, by securing the amendments to our present banking act, suggested by Bank Commissioner Downs, in his first annual report to the governor. I am especially solicitous that our present law should be so amended as to increase the supervisory power of the bank

commissioner. After careful consideration and study of the subject, I have reached the conclusion, that there is a serious lack of proper supervisory powers over state banking institutions, in the act of 1910. That act contains provisions for dealing with delinquent or insolvent banks, which in other states, have been found to be wholly inadequate. Section 9 of the act, for instance, requires, that, if upon examination, the bank commissioner finds a banking institution insolvent or in such a condition as to render the continuance of its business hazardous to the public, he shall report the same to the governor, who, after advising with the attorney-general, may institute such proceedings against the delinquent institution, as he may deem proper.

Section 60 provides, that any banking institution, doing business, under the act, may, by action of its board of directors, place its affairs and assets under the control of the bank commissioner.

These provisions may have been the best we could obtain from the general assembly of 1910; they may have been the best we could secure in view of the insistence upon conservative regulations on the part of some of the banking fraternity of our state, in past years, but surely not much discussion should be

(Continued on page 11)

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Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
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MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

It is interesting to note the great variety of opinions voiced by the officers of prominent manufacturing institutions and bankers in regard to both the financial and industrial situation as relating to Milwaukee and the state at large. A summing up of these various opinions spells "Optimism" in capital letters though some of the individual expressions have a tinge of pessimism.

In the iron and steel trades there has been a notable dullness thus far this season though it is claimed that indications are now good for the fall trade and that many large users of structural iron and steel who have been holding off with their orders are now coming into the market. The leather trade, which represents a large part of Milwaukee industries, has held about normal with fall orders showing well. Smaller manufacturers—chiefly those manufacturing staple lines—report a good trade.

Among the banks there is a slight tendency to increase in loans since the statement of June 7th with rates normal. Money is plentiful and collections show some improvement over the past few weeks. Bond trade continues good with demand chiefly centering around the higher grades, a good movement being reported in railroad securities.

Guaranty Bill is Killed in Senate

By a tie vote the state guaranty of bank deposits bill has failed in the Wisconsin senate and it is now up to the people of the state whether the legislature shall establish a sys-

tem of mutual insurance of bank deposits under state supervision, or not.

Senator Owen made a strong fight for the bill saying: "I am here to plead for the weak, for the general depositors and for the great mass of the people. There is another measure before this legislature to allow state banks to secure the United States government so that they may receive postal savings funds. I am utterly opposed to that proposition. I do not believe the best assets of a bank should be segregated at the expense of the poor individual depositor to secure the great and powerful federal government."

Mr. Owen spoke of the good (?) the state bank guaranty law had accomplished in Oklahoma. State Senator Husting also spoke for the bill which he said meant absolute protection of the working men and farmers and other small depositors who place their money in banks. Senator Teasdale, who is a banker, favored the bill. The measure was opposed by Senator Whitehead. He challenged the statement that the law has accomplished good in Oklahoma and referred to a letter he had received from the comptroller of currency relative to the large number of banks in Oklahoma which were applying for federal charters.

The first question voted on was the amendment, No. 15. This was rejected by a vote of 15 to 13. Senator Husting said he had voted for the rejection of the amendment because he felt the bill had no chance of passage at this session. He therefore voted the recon-

sideration of the vote by which the amendment was rejected.

It was taken that this move was meant to kill the bill completely for this session. This, however, was farthest from the thought of the conspirators. They had measured the strength of the two sides and saw they could turn the tables. The vote on reconsideration was, much to the surprise of every one, 14 to 13. The substitute amendment was then adopted by the same vote.

The impression had prevailed that being a bank bill it would require a two-thirds vote to pass and it was not until the bill was passed that those opposed woke up to the fact that the amendment had completely changed the character of the bill and that they had been voting on a proposition to submit a question to the people which could be carried by majority vote.

The amendment will be placed before the assembly within a few days and its passage by that body is almost assured.

Group Six Meets at Waupaca

The sixth annual meeting of Group Six of the Wisconsin Bankers Association will be held at the Grand View Hotel, Waupaca, June 26th. A large attendance is assured as the majority of those who attend the group meeting at Green Lake the latter part of this week will wait over for the Waupaca meeting.

An excellent program has been prepared with a wide variation of subjects, as follows:

Call to order, Wm. Dressen, president of



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C. C. YAWKEY

the group: address of welcome. Lloyd D. Smith, Waupaca; response. Earle Pease, cashier First National Bank, Grand Rapids; roll call, to be responded to by answering the question, "Why Am I Here?"; annual address, Wm. Dressen; reading of minutes of 1910 meeting and report of secretary-treasurer, L. H. Larsen, cashier Wautoma State Bank, Wautoma; address, "The Commission Form of City Government," B. R. Goggins, Grand Rapids; round table discussion.

At the afternoon session the following is the program: Address—"Some Phases of the Negotiable Instrument Law"; Louis Quarles, Wisconsin Bankers Association attorney, Milwaukee; address—"Bank Advertising," Mortimer I. Stevens, editor Wisconsin Banker; remarks, Geo. D. Bartlett, secretary Wisconsin Bankers Association; remarks, Chas. C. Brown, president Wisconsin Bankers Association.

Following the afternoon session automobiles will be in waiting to show visitors and delegates the "Killarneys" of Wisconsin, and at six o'clock dinner will be served at the Grand View Hotel with the entertaining banks as hosts.

BANKING NOT PRIVATE BUSINESS

(Continued from page 9)

necessary, to convince this body of enlightened Maryland bankers, that such provisions are utterly lacking in real effectiveness, to say nothing of their liability to cause unnecessary delay and expense.

Other statutes of the state, I submit, already have given too many duties of a supervisory and extra-constitutional kind to the governor of Maryland, but if this be not admitted, the testimony of advanced exponents of public opinion in the banking world, and of experienced leaders and directors of banking and business interests in the state of New York, since the passage of the act of 1908, by the great Empire State, should convince us that the public needs, as well as our own highest and best interests, require that the bank commissioner should be vested with full authority to close any banking corporation, doing business in this state, and immediately take charge of its property and affairs, not only when such corporation is insolvent, but whenever he may find such corporation is conducting its business in an unsafe or unauthorized manner, provided, in the latter case, the institution be

given, by law, full opportunity to show cause why the unlawful or unsafe practices should not be discontinued.

To be still more specific, I see no reason why the New York act of 1908, placing in the hands of the superintendent of banks, the same power with reference to delinquent state banking institutions as are given to the comptroller of the currency, with relation to national banks, should not prove wise legislation for the regulation of state banks in Maryland.

Maryland bankers, like all other citizens of Maryland, are proverbially conservative, and we may not yet be quite ready for this progressive legislation, but I insist such legislation will come, and will be incorporated into the laws of Maryland, just as soon as Maryland state bankers reach that stage in the development of their high calling, when they realize, as in time we surely will, that the very best conception of the business of the banker, is that of an honorable public servant, engaged in a great public trust.

I have ventured upon these suggestions and recommendations, fellow bankers, not only because I believe there is urgent necessity for

the specific banking regulations suggested, but for the much broader reason, that I believe it behooves bankers, of all the men in the business community, to take a leading part in the present day movement everywhere evident, to secure to the masses of the people, fair and honest treatment by all the big business interests of the country.

After all, this is the one idea which I had intended should constitute the key-note of my official message—the idea that the American banker has not risen to that lofty and ideal point of view which it should be his highest ambition and constant aim to attain, until he has entirely discarded the notion that his business is a "private business," and stands squarely, cheerfully and proudly at the "point of view of the public." When the great army of American bankers has climbed to this height, then and not till then, will we be able to solve many difficulties, which now seem to overtax and baffle our best energies. Then, in my judgment, will cease the many bad practices, incident to unwise competition for business, now all too common, but difficult to regulate by law. The hunt for deposits will no longer be carried to excess. Improper inducements will no longer be held out to prospective customers. We shall resist, without difficulty, the temptation to pay excessive interest rate on business. Liberal overdrafts will be outlawed in the tribunal of our own consciences. All these questionable practices, which good bankers usually admit to be sources of danger, will seem more fraught with peril, and easier to resist, when we are panoplied against temptation, by an ever present thought and concern for "those outside the pale."

I fear that I am breaking the record in making this address too long. My apology must be that the more I learn of the banker's business the more zealous I become in advocacy of every practice, regulation or safeguard, looking to the protection of the public interests, involved in our business, because I believe that such a policy on our part, tends to bring bankers in closer touch with the people, and to draw away the public mind from the old idea, that the banker is the personification of sordid selfishness, and utterly lacking in sympathy with the public welfare.

I thank you gentlemen for the cordial support you have given my administration, during the past year, and again I desire to extend to you all, my most cordial felicitations.

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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, June 21.—Bankers here report a gradual hardening in money rates. During the last two weeks the average has gone up about one-half of 1 per cent, and the quotable range is now between $4\frac{1}{2}$ and $5\frac{1}{2}$ per cent. the demand from all sources is picking up, and most improvement is from the country. Shipments to the interior, however, have been rather light for this season, this despite the earliness of the wheat harvest. Thus far the agricultural needs have been handled by country banks with their funds at hand, without being obliged to draw heavily on latent resources at reserve centers. All the leading banks here are abundantly supplied with cash, and never in their history were in better shape to handle the demands which are bound to develop within the next few months. While the early outlook for crops has not borne out, and much disappointment is felt because of the drought, there will still be an enormous production in cereals and other lines. In this region a dry June rarely results disastrously to corn, some of the largest crops having been grown with little or no moisture in that month. The corn acreage is enormous, and while the government report will doubtless show a poor initial condition, there is time for improvement, and the law of average, as applied to rainfall, will insure ample moisture during the balance of the growing period. Clearings have been showing up in excellent shape, the total this week and last being well in excess of the corresponding period a year ago. General business is fairly active.

Shipments to Arkansas

A feature which will affect reserves here during the next month or two will be shipments of cash to Arkansas for taxes. The laws of that state provide that the banks and trust companies must pay their taxes in cash. These payments begin July 1st, and continue into August. All this enormous sum is placed in the vaults of the state, where it lies idle, until sometime in September, when it begins to work back into the channels of circulation. The last legislature changed this law, so that the situation is helped somewhat. The change provided that immediately upon payment, the taxes must be deposited by the state treasurer back in banks in districts from which they are paid. While this affords some relief, the provision does not become effective until next summer. It can be imagined what havoc this old law might work in time of financial stress and cash scarcity.

Charles H. Huttig Equal to the Occasion

Charles H. Huttig, president of the Third

National of St. Louis and chairman of the executive council of the American Bankers Association, was cast in a big mould. For rising to big situations he possesses ability easily in the genius class. Last week his establishment, the Huttig Sash and Door Company, was consumed in a \$700,000 fire. Mr. Huttig arrived at the fire in his motor almost before the lines of the fire department were in full play. Personally he directed efforts of employees and others in saving books and records, and only backed away when the heat became too great even for trained fire fighters to stay. Then he went to the Manchester Bank, near the scene, and there got together the directors of the sash company, and by light of the flames planned and mapped a full campaign for continuing the business. Salesmen on the road were wired to continue taking orders, and contracts made with other concerns for finishing work under way. Orders for new material were placed, and finally it was decided to rebuild on a larger scale. Dawn mixed with the light from the great fire before the meeting adjourned, but more had been accomplished than weeks of deliberation would have produced under a less commanding mentality. It is a good thing to have men of this size.

Savings Deposits Data

Persons with savings deposits in St. Louis banks and trust companies will receive approximately \$1,133,644 in interest on their funds this month. Total savings deposits in the various financial institutions here aggregate \$65,855,967. Estimating the population of St. Louis proper at 750,000, the savings deposits are \$87.80 per capita. The deposits for which savings accounts books have been issued aggregate \$22,556,325. The deposits represented by interest-bearing certificates amount to \$43,299,642, making a grand total of \$65,855,967. The interest ranges from 3 to 4 per cent, and according to a reliable average rate, the interest on savings deposits

amount to \$375,901 for six months, while the interest on certificates of deposit for the same time is \$757,743. Figuring on a basis of 3.5 per cent as an average, which is about as near as can be estimated, the interest on all savings in the local banks and trust companies amounts to \$1,152,479 for the past six months. The per capita of savings deposits is about as high now as at any time in recent years in St. Louis.

Cities Service Stock Listed

Stock of the Cities Service Company, a corporation similar in many respects in scope, objects, and charter, to the North American Co., has been listed for trade on the St. Louis Stock Exchange. The total authorized capital is \$50,000,000, but only \$8,565,380 of preferred and \$4,838,690 of common, the amount so far issued, was listed. That it is the plan to press sale of this stock in St. Louis is indicated by the fact that F. W. Roberts has been appointed local representative, and opened offices in the Third National Bank Building. The company operates plants in Southwest Missouri and Kansas, Denver, Colorado, and Spokane, Wash. Henry L. Doherty and Company of New York are the promoters.

Macon Bank Suspension

Advices from Macon, Mo., are to the effect that depositors of the Citizens Bank, which closed its doors last week, will pay all stockholders in full. The total deposits are only \$150,000, and these, it is stated, are more than covered by the assets. Stockholders, however, are likely to be losers, as efforts made to reorganize and resume business have not thus far met with much success. Missouri bank examiners are in charge, but full details as to the cause of the suspension have not been made public.

Big Realty Company Launched

The Monward Realty Company has been incorporated by persons connected with the Commonwealth Trust Company, to engage in an important building enterprise, which is understood to be the erection of a skyscraper on the site of the Commonwealth's present quarters at Broadway and Olive Street, one of the most valuable corners in St. Louis. A big building on this site has been under consideration for several years. The new company is incorporated for \$2,500,000, fully paid. The incorporators are: B. H. Spencer, H. C. White, Mark U. Boyer, H. C. Rueppel and Henry Dreyer, who hold 5,000 shares each. Most of the incorporators are employees of the Commonwealth Trust Company. President A. N. Edwards and other officers of the Common-

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is thoughtful, not mechanical.

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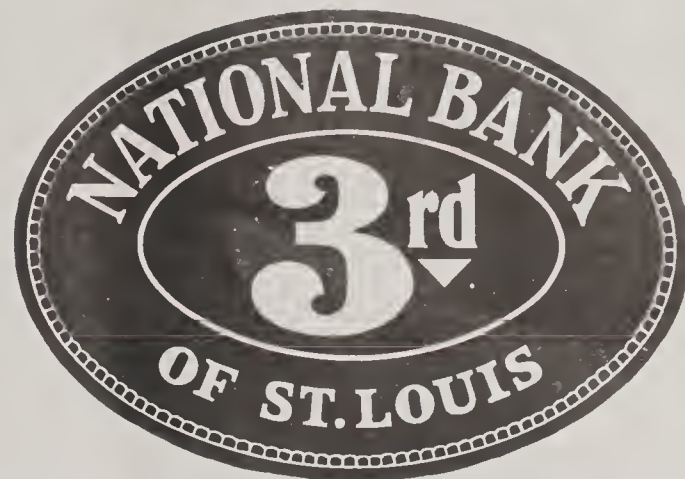
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SURPLUS
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DEPOSITS
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INVESTMENT SECURITIES

wealth Trust Company are rather noncommittal as to the plans of the company.

Heavy Fire Losses

Three big fires last week in as many nights resulted in a loss to the insurance companies of something over \$1,250,000. The loss for the first half of the present year is well in excess of premiums, and it is likely the fire insurance companies with risks in St. Louis will end 1911 with heavy losses. The Huttig Sash and Door Company, of which Charles H. Huttig, president of the Third National is head, represented the largest loss, that company having \$617,000 in policies, all of which will be collected, as there was no salvage. According to C. H. Henley, chief of the St. Louis Fire Prevention Bureau, the record of eight years shows a moderate fire ratio for this city. Last year the ratio was 41 per cent on total premiums of \$3,100,000. It has ranged between 35 and 40 per cent since 1902, making St. Louis a profitable center for fire companies. Based on the receipts for the first six months the ratio is more than 125 per cent, and it ran about 50 per cent up to June 1st.

To Handle Bakery Consolidation

The General Banking Company of Woodbury, N. Y., which will in a few days take over the management of the McKinney Bread Company, the St. Louis factor in the new bakery trust, has obtained a license to do business in the state of Missouri. The company, in making application for a license, complied with all requirements of the anti-trust statutes of the state.

Justice Tempered with Mercy

William Hasey, formerly teller of the Mercantile Trust Company, who pleaded guilty to forgery in the fourth degree, was sentenced to

a year's imprisonment, but on recommendation of the officials of the Mercantile Trust Company was paroled. Hasey had been a faithful employee of the company for more than fourteen years, and his peculation was attributed to family troubles and the fact that he suffered from tuberculosis. Fellow employees assisted him in making restitution.

Stoutland Bank Chartered

State Bank Commissioner Swanger on Monday issued a charter to the Bank of Stoutland, in Camden county. The capital stock of the new bank is \$10,000. Among the incorporators are mentioned Fred L. Benage, R. G. Garmen, C. M. Jarrett and W. E. Rowden. The bank expects to begin operations early next month.

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FIRST TRUST ADDS SPACE

The growth of its trust business has compelled the First Trust and Savings Bank of this city to prepare new and enlarged quarters for its trust department, located on the street floor at the northeast corner of the First National Bank Building, with a direct entrance on Dearborn Street and entrances from the bond and savings departments and the lobby of the building. This new space, occupying nearly the entire north half of the Dearborn Street side of the building, has been arranged and equipped with every modern facility for the transaction of trust business and the convenience and comfort of the bank's customers. The lobby and customers' waiting room of the new department are fitted in marble and bronze and the officers' quarters and customers' consultation room in mahogany.

The growth of trust business in Chicago is well illustrated in the case of the First Trust and Savings Bank. Its trust department was started at the time of the bank's organization in 1903, but soon outgrew its quarters and several years ago required the enlargement of the banking offices for its accommodation. It was thought at that time the new space would be sufficient to accommodate its needs for a number of years, but the large and varied business of a fiduciary character entrusted to it has necessitated the present removal of this department.

J. S. & W. S. KUHN AWARDED BONDS

J. S. and W. S. Kuhn, Inc., of Pittsburgh, and E. H. Rollins and Sons have been awarded \$500,000, 4½ per cent road improvement bonds of this county at their joint bid of par, accrued interest and premium of \$5,700.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

At a meeting of the National Currency Association of Kansas City and St. Joseph, Mo., held last week in Kansas City the following officers were elected:

J. F. Downing, New England Bank, president; Graham G. Lacey, Tootle-Lemon National Bank, St. Joseph, vice-president; and J. Thralls, secretary and treasurer.

The following were elected to the executive board: J. F. Downing; R. T. Forbs, First National Bank, St. Joseph; J. G. Schneider, German-American Bank, St. Joseph; Graham G. Lacey, Tootle-Lemon National Bank, St. Joseph; P. W. Goebel, Commercial National Bank, Kansas City, Kan.; E. F. Swinney, First National Bank, Kansas City, Mo.; J. W. Peary, Commerce Trust Company; F. P. Neal, Southwest National Bank; George S. Hovey, Interstate National Bank; C. S. Jobes, Security National Bank.

Rain in Texas

Reports from Fort Worth, Tex., state that rain has fallen over a radius of 300 miles in each direction from that city varying in amount from one-half to two inches. This precipitation will save the corn crop in that territory which had been practically given up as lost.

Mortgage Filed

A mortgage signed by the Kansas Natural Gas Company is being filed in the Kansas counties through which the lines of that company run. The mortgage is in favor of the Fidelity Title and Trust Company of Pittsburgh, Pa., and is for \$4,000,000 in the form of 4,000 bonds of \$1,000 each. The bonds run for twelve years drawing six per cent. They cover by a special mortgage all the property of which

the company may become possessed during the life of the loan.

Increased Capital

A statement of increase of capital stock of the Ozark Power and Water Company has been filed with the secretary of the state of Missouri. This is the company organized to develop water power in the rivers of the southwestern part of Missouri. The increase in capital is from \$5,000 to \$875,000 and this action is taken to mean that it will immediately take steps to acquire and develop water power by constructing dams on the James and other rivers tributary to the White River.

To Issue Bonds

The Public Utilities Commission of Kansas has given a certificate of authority to the Manhattan Interurban Company to issue \$200,000 in bonds for the purpose of constructing an electric line from Manhattan to Fort Riley, Kan. A similar certificate was issued to the Hutchinson, Kan., Interurban Company to issue \$65,000 in bonds for the purpose of taking up certain floating indebtedness.

Free Capitol Site

A new scheme for raising the \$1,000,000 pledged by Oklahoma City for a free capitol site is reported to be brewing. It contemplates the purchase of the "Northwest site," set aside for capitol purposes by the city for a public park and the voting of a \$1,000,000 bond issue, the money to be used in the construction of the capitol. According to the plan the city will then sell the lots to reimburse the city for the bond issue and the land remaining after the lots are sold to remain in a public park.

News About Crops

"Two-thirds of the Kansas wheat crop was in the shock last Saturday night," stated Oscar K. Lyle, expert for S. B. Chapin of Chicago and New York. "Last week I estimated the Kansas crop at 70,000,000 bushels of wheat but I am not overconfident that the state will produce that much. The dry and hot weather of the past week or so has done much damage yet the indications are that Kansas will produce a little more wheat than it did last year."

Officers of the Oklahoma Grain Dealers Association estimate that Oklahoma will produce but 8,000,000 bushels of wheat as against 26,000,000 bushels last year. It is also stated that the standard of the crop will not be up to that of 1910 as indicated by a portion of the crop already placed on the market.

Dealers report practically the same condition existing in Texas as that reported in Oklahoma. It is estimated that the crop of the Lone Star state will yield between 6,000,000 and 7,000,000 bushels which will be about one-half the normal yield.

Miscellany

Figures given out by the Kansas state tax commission show a net increase of \$7,830,873 over the assessed valuation of a year ago in the Kansas public service corporations.

John W. Davis, receiver for the Citizens Railway and Light Company of Fort Worth, Tex., announces that the property of the company will be offered for sale July 1st.

The Huntington Bank closed its doors June 12th. It is said the depositors will be paid in full.

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Bemidji Convention

**President L. A. Huntoon delivers
an intensely practical annual
address to Minnesota bankers**

At the opening of this convention I wish to congratulate the Minnesota bankers upon the multitude of good things that fall to their lot within the year. I wish first to congratulate you upon the fact that the Minnesota bankers are loyal to this association as is shown by the fact that, although the executive council found it necessary to recommend to the association last year the increase of annual dues, only 16 of the old members failed to renew their membership on that account and there have been added 53 new members, making the total membership to-day 920, the largest in the history of the organization.

I wish to congratulate you upon the crop outlook which in our section and in many other parts of the state is the best for many years.

I wish also to congratulate you upon the ease with which we seem to be passing through a period not of stringency, but of a gradual readjustment of business after a period of extreme activity.

And I wish to congratulate the association for having among its members, and the people of Bemidji upon having among its citizens, the bankers of Bemidji, who have the enterprise to to-day entertain this convention, and I predict for them in this, as in everything else, abundant success.

Now, may I talk shop for a few minutes?

Some years ago this association considered a matter which has never been lost sight of by some of you, and that is the relation of the banker to the surety companies. The total amount paid in the state of Minnesota to the surety companies on burglary, fidelity and surety bonds during the past year was \$588,737. The amount paid by the surety companies for losses was \$176,425. The premiums on fidelity insurance, \$213,946, losses \$24,871, and I do not believe the past year was an unusual one. I presume 25 per cent of the receipts is paid to agents for securing the business, but the 75 per cent remaining is largely in excess of the amount required to conduct the business, pay the losses and pay a reasonable dividend. The tendency of the surety companies to seek and require a personal

indemnity bond when a bank has been designated as a depository for the funds of municipal corporations and to refuse to issue depository bonds for the smaller banks of the state, is not to be commended from the bankers' standpoint. I am a thorough believer in surety companies and in the practice of having all bonds in connection with our business made by them, and am in no sense advocating mutual organization, except as a last resort, but the relation between us and the companies should be a different one than the one which now exists, and to that end I sincerely hope this convention will take some action looking to the appointment of a committee which shall make an investigation and make a report to the executive council at as early a date as possible.

This convention in my judgment ought by resolution to commend the work of the National Monetary Commission, and pledge them the co-operation of the bankers of Minnesota. Speaking for myself and not for the association, I sincerely hope and believe that some plan will be adopted which will give the bene-

fit of the central bank, or the central reserve association to the state banks as well as to the national banks.

This association should keep constantly before our representatives in congress the fact that it is most desirable that an amendment to the National Bank Act be made providing that national banks may invest a portion of their deposits in farm mortgages, easily the safest and most satisfactory investment on earth; and I shall hope to see some concerted action taken by the national banks in the agricultural sections to the end suggested. The Minnesota Bankers Association might well take the initiative in this matter.

In the few moments allotted to the ordinary banker for reflection, I have sometimes wondered as to what was the real mission of the banker, and have many times come to the conclusion that there is written on our faces the story of our lives. There is no school provided where we may acquire an education for this calling except the school of experience, and it is not all of us who learn that to follow the loaning of money, the collection of interest and the clipping of coupons closely with no other object in life can, and does, make a little the smallest man in the community. A banker's work in his community is larger than this. He is constantly regarded as the leader in financial matters, and he should be the leader in other matters if he is capable.

In the last few years this association has made itself felt outside of itself, and your agricultural committee appointed two years ago has really been very helpful in making agricultural education a growing topic in this state and has done much to insure to the people on the farms and in the city the opportunity to acquire a scientific knowledge of the greatest industry of this state and in fact of the whole middle west. There are now thirty-eight schools in this state where agriculture is scientifically and practically taught.

Some of us smiled, when a city banker (Chapman) some four or five years ago, began talking about agriculture and agricultural edu-

(Continued on page 23)

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Editorial Comment

FAVORS BANK SUPERVISION

President Joshua W. Miles, of the Maryland Bankers Association, devoted ninety per cent of his Deere Park speech to the advocacy of a new or improved bank supervision law for his own state. He commended the recently enacted New York statute and proved by irrefutable argument that banking in any form is not "private business" or a "personal matter." Maryland had a hard struggle to put banking under any sort of supervision and came through the fight about as Ohio did, by passing a law creating a first class banking department with hands and feet pretty well tied up. When the examiner finds a bank insolvent he cannot safeguard the public by closing it but he must inform the governor who in turn must inform the attorney-general and they must hold a conference and later tell the examiner what to do. Pretty slow job even if all of them try to push it along but no time is set for action and general failure is predicted.

President Miles went for the "private business" banker who got all the obstructions in the act pretty strong. His address is in this number and is well worth the time of the standpatters and the progressives. It ought to be circulated in Illinois, an almost virgin field, except that state bank supervision is here far advanced over the Maryland standard. The weak spot in Illinois is in having failed (in various ways) to put private banking under either restrictions or supervision. Failures have been so frequent of late that the Chicago daily press, and even the Chicago city council, have been trying to create public sentiment against wildcat, "private business" banking at the expense often of the duped and swindled depositors.

With a new constitution of a liberal text it will not be possible longer to use the prestige and resources of the state association to kill bank legislation looking to making banking safe and creditable. Chicago can furnish the "horrible examples" with a few down-state Butler incidents to season the exhibit. The progressives, the young men who put the group reform through, have the power if they have the courage, to do things of which all will be as proud after it is over and the benefits shown, as they now are of our splendid group system.

THAT TRAIN DE LUXE

The Chicago-New Orleans special has nine cars already filled and no formally printed matter has been sent out. The promise is that the railroad will haul, in fast time, fifteen or sixteen cars. Our effort has been to get the right people on the first section. If you read this and continue to slumber quietly don't kick when the time comes to go. Send in your reservations.

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

DISCOURAGING THE BANK BURGLAR

Several states have lengthened the term in prison for bank burglary with almost instantaneous effect. North Dakota reached a total of eleven such offenses in one year. The penalty was doubled and the very next year there was none. If the lengthening of the term works such magic bankers associations should bend their energies in this direction rather than so much toward other lines in the protective department. Of course long terms will not frighten any one if there isn't a reasonable chance of the capture of the offender.

It is said that the Wisconsin association was surprised when it went to Madison to ask that the penalty in the Wisconsin laws for bank burglary be increased. The association went up to ask that the penalty be raised from twenty to forty years and actually found that the goody, goody reformers had just had a bill passed reducing it to ten with a liberal parole provision which would have caused the professional yeggman to laugh in his sleeve. Eternal vigilance is the price of liberty even in such cases. The friends of the yeggman and the misguided reformers are active and why not state associations?

The city hold-up man would vanish if a

proper law was passed for robbery with a deadly weapon. It is a new form of crime and should be newly defined. Burglary and destruction of property by use of explosives should get a forty year term and thus make an end of it. Bankers associations should have a committee on protective measures to design and carry out a systematic campaign. Certain results will follow.

CONFIDENTIAL AND TRUTHFUL

"Never lie to your lawyer or your doctor," was good advice before banking changed from money-lending institutions to business building establishments. The old time banker profited by failure of customers. He fattened upon their ruin, but now, he builds up the weak and makes the strong stronger. Now the maxim should be "never lie to your banker, your lawyer or your doctor," nor, for that matter to any one. Not even the assessor.

Cashier Freeman of the Lumberman's National, at Portland, made an address to the threshermen of his state of whom there are about three thousand. Threshing there is done by contract and financed by the banks. In the course of his talk Mr. Freeman advised that:

There is nothing that a banker enjoys so much as to have a man who knows his business sit down and tell how he makes money and present figures to prove it. The thresherman of good reputation who can present a statement of solvent condition and who knows how many days, with a certain number of men, at a fixed schedule of pay, it will take to thresh a particular stand of wheat; how much it will cost to feed them; how many gallons of oil, and what kind of oil gives the best results; with an insurance policy covering his fire risk, and who keeps himself protected against employer's liability, need never worry about his payroll.

This certainly was proper advice and the wonder is that bankers when they talk to conventions, other than bankers meetings, do not oftener set themselves to tell their hearers how to keep solid with the bank. No part of the threshing business was nearly so familiar to Mr. Freeman as the banking requirements, and his hearers on the contrary had most to learn in the financial division of their own business. He further told them how to open and keep their accounts; how to figure profits, depreciation and costs of operation. He made it pretty plain that rightly kept books and honest statements would keep them "in good" with the banker. Threshermen were told that they might be ahead in dollars and cents each year but that when they were called upon to discard an old machine and buy a new one they might learn that they had been doing business at a loss. It was a practical talk and will serve as a model for bankers who address business and commercial associations.

Convention Dates

NORTH DAKOTA—Fargo, June 27 and 28; Secretary, W. C. McFadden, Fargo.

OHIO—Cedar Point, July 5, 6 and 7; Secretary, S. B. Rankin, South Charleston.

WEST VIRGINIA—White Sulphur Springs, July 11 and 12; Secretary, J. S. Hill, Charleston.

COLORADO—Denver, July 11 and 12; Secretary Preston T. Slayback, Denver.

WISCONSIN—Milwaukee, July 12 and 13; Secretary, Geo. D. Bartlett, Milwaukee.

NATIONAL CONVENTION—American Institute of Banking, Rochester, New York, Sept. 7, 8 and 9.

WASHINGTON—Wenatchee, September 14, 15 and 16; Secretary, P. C. Kaufman, Tacoma.

INDIANA—October 25 and 26; Secretary, Andrew Smith, Indianapolis.

ILLINOIS—Springfield, October Secretary, R. L. Crampton, Chicago.

AMERICAN BANKERS CONVENTION—New Orleans, November 20 to 25; Headquarters, St. Charles Hotel; Secretary, Fred. E. Farnsworth, 11 Pine St., New York.



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For
the
Northwest

North Carolina

President W. C. Wilkinson tells bankers the State banking law must be revised and rejuvenated

We have met to-day under auspicious circumstances. The last year has been, as a rule, a prosperous one in business, in North Carolina. The banks in the state have participated in this prosperity, and have been able to extend to their customers all necessary accommodations, and pay to their shareholders reasonable dividends upon their investments. In order to appreciate the proposed changes in the monetary system of this country, it will be necessary to recur to the past, and consider the banking system in force prior to 1863. I shall not enter into this more fully than is necessary, as we have with us, the Hon. Edward B. Vreeland, vice-chairman of the National Monetary Commission, who will explain to you fully, and in a manner far better than I can hope to do, the plans of the commission.

Prior to the late Civil War, in fact as late as 1863, the banking of this country was carried on and conducted by state institutions. The separate banks were chartered by their respective states, and allowed to conduct a banking business. Powers were conferred upon the separate institutions to issue their notes, to circulate as currency. Fourteen hundred and sixty-six state banks in 1863 had in circulation notes amounting to \$238,000,000.00, and as each state had its own laws, governing the issuing of bank note circulation, it was almost impossible to discriminate in accepting these notes, as the value of the majority of the notes depended upon the solvency of the bank is-

suing them. In many cases, the notes were almost or entirely worthless, as the issuing bank had no reserve with which to redeem them when presented for payment.

This brought about great difficulties in transacting the business of the country, and congress was urged by many financiers to devise some plan of giving the country a more uniform bank note circulation. In 1863, as a war measure, the national banking system was devised, in order to get the gold held by banks and to create a market, for government bonds. By this plan the obligations or bonds of the government, were made the basis for the issue of currency by the banks, organized under this act.

All such notes were issued by the government, upon the deposit, in the treasury, of government bonds, the government redeeming them upon presentation and reissuing to the banks new circulating notes for such as were redeemed.

The banks that did not organize under the act of congress, known as the national banking act, enacted in 1863 and re-enacted in 1864, were taxed in 1866 to such an extent on their circulating notes, that they were forced to relinquish the circulation privilege.

Under this act of congress a uniform currency was established throughout the United States, known as the national banking currency, and as all such notes were issued by the government and redeemed by it, the note of a

bank in a small town passed as current as that of a bank in the largest city, as neither the capital or the solvency of the bank upon which it was issued was taken into consideration in accepting the note.

Up to this point the system was ideal.

But there was one serious defect in the system, which congress attempted to overcome and correct, but without effect.

This objection to the system was, and still is, the want of elasticity in times of stringency or panic, to enlarge the circulating medium, and to decrease it after such need has passed.

There are other minor objections, which I have not time to discuss, merely throwing out the one mentioned above as the leading objection to the plan.

Since the adjournment of our last convention, the national congress has authorized the establishment of postal savings banks, and a number of them are now in operation, and while it was the general consensus of opinion that the government had no right to enter the banking business, it is now the belief of bankers, generally throughout the country, that the establishment of these banks will not to any great extent interfere with the deposits of regular commercial and savings banks.

Our state legislature was in session this year, and many questions affecting the banking interests of our state, were considered.

I am glad to report that no single law was enacted detrimental to your interests.

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Marine National Bank

BUFFALO, NEW YORK

The oldest bank of discount in Buffalo and the largest in the State, outside of New York City

Capital {	Paid in \$ 500,000.00	
	Earned 1,500,000.00	\$ 2,000,000.00
Surplus and Profits (Earned)		1,400,000.00
Resources (June 7, 1911)		32,600,000.00

OFFICERS

STEPHEN M. CLEMENT	- President	CLIFFORD HUBBELL	- - Cashier
JOHN J. ALBRIGHT	- Vice-President	HENRY J. AUER	- Assistant Cashier
JOHN H. LASCELLES	- Vice-President	NORMAN P. CLEMENT	- Assistant Cashier

A GENERAL BANKING BUSINESS TRANSACTED. ACCOUNTS OF
BANKS AND BANKERS SOLICITED. CORRESPONDENCE INVITED.

A letter was sent to and received by a number of the members of the legislature, in which it was stated that "Banks pay no taxes," but notwithstanding this attempt, to increase your already heavy tax burden, more favorable legislation was enacted, pertaining to banks, than at any one session of the legislature in recent years.

That concessions were made in bank taxation was due to the hard work of your committee on legislation.

The members of this committee devoted much of their valuable time to have laws enacted that would place the taxation of bank shares on a more equitable footing and preserve somewhat an equality with other kinds of taxable property.

At the last session of our legislature a bill was introduced, remodeling the banking laws of our state, which bill, however, was submitted to a number of the officers of banks operating under state charters but did not meet their approval, and the finance committee reported it unfavorably and the bill was not passed.

I think you will all agree with me, however, that the time has come when it is advisable to revise the banking laws of this state, and as the revision will largely concern those banks operating under state charters, I recommend that a committee consisting entirely of officers of such banks, and in addition the chairman of the committee on legislation, be appointed or elected by this convention, to prepare a bill, revising the banking laws, and submit it to our next convention for its consideration, and when approved by the convention, that the committee on legislation be instructed to present the same at the next session of the legislature for enactment.

I would respectfully suggest that this committee consist of the officers of the association connected with state banks and trust companies, the chairman of your committee on legislation, and two other members, from state banks.

In conclusion allow me to express to you my sincere thanks for the honor you have conferred upon me in calling me to act as your president during the year and to preside over your deliberations at this meeting.

Lockhart, Texas.—C. E. Jones has been elected president of the Lockhart State Bank and B. J. Bellamy, cashier.

PROGRESS IN BANKING

(Continued from page 6)

books, by converting them into live credits, passing from hand to hand in the form of banknotes, possessing and exercising debt-paying and credit liquidating power.

The growth of knowledge, the dissemination of intelligence, the rapidity of communication, the increasing needs of mankind growing out of the complexity of our civilization, all tend to increase the struggle for individual subsistence. New principles of social welfare have been accepted, and others are about to be established. They involve a revolution of material conditions. We in common with other enlightened nations are approaching a condition of economic maturity. We cannot afford any more to disregard and ignore the agencies of defense and the instruments of protection which other nations use economically and financially in their trade relations, than we could afford to disregard the means of military and naval defense which they use.

The establishment of some kind of central reserve association for all these reasons, has become a national necessity. If organized according to the plan suggested, it would as a bank be as great as our country is great; it would possess strength and powers adequate to the country's needs and equal to all its demands. Such an institution would be a lasting monument to the financial genius of this generation. Our country needs it. We must and eventually will have it. It is to be hoped that we shall not be called upon to pay the price of another panic before it shall be given us. I trust that before adjournment this convention may unanimously approve the plan and by an affirmative vote urge the members of congress from the state of New York to work for its speedy enactment into law.

NOT A BANK FAILURE

During the recent annual convention in Sioux Falls of the South Dakota Bankers Association, attention was called to the fact that during the past year there had not been a single bank failure in South Dakota—a record of which every resident of the state will be proud. During the year there had been only four attempted bank robberies in the state and each of the culprits were captured. South Dakota now has a total of 636 banks—102 national and 534 state banks.

AMERICAN EXCHANGE NATIONAL OF DULUTH

Among the strong Northwestern banks, the American Exchange National of Duluth with a capital and surplus of \$1,500,000 always attracts attention. The deposits are \$7,300,000 and the bank has first class facilities for making collections and remitting promptly. The officers of this bank are among the most loyal supporters of the Minnesota Bankers Association and the meeting at Bemidji is about the first one that Cashier William G. Hegardt has missed. He is spending the summer in Europe which was all the excuse which was necessary. Hamilton M. Peyton is president and is well known in the state.

RAPID GROWTH OF GUARANTY TRUST

The latest statement of the Guaranty Trust Company of New York issued June 7, 1911, in response to the call of the state superintendent of banks, exhibits very large totals. The deposits are over \$144,000,000, a gain of \$11,000,000 since the last call, February 28th, and a gain of over \$20,000,000 since January 1, 1911. The total resources of this institution, which is now the largest trust company in America, exceed \$186,000,000. Its growth to the present proportions has made necessary a much larger office than is available at its present location on Nassau Street, and a site at the corner of Broadway and Liberty Street recently has been purchased whereupon will be erected a monumental building which will be used exclusively by the company. Plans for the new building which are now being prepared contemplate a model structure in every respect.

PACKERS' NATIONAL

The Packers' National Bank of South Omaha celebrated the twentieth anniversary of its organization recently. When it opened for business it had a capital of \$100,000 and its deposits were not much greater than its capital. To-day its capital is \$200,000 and its deposits amount to \$2,200,000. The present officials of the bank are: A. W. Turnbull, president; J. F. Coad, Jr., vice-president; W. A. C. Johnson, cashier; Harry Turnbull and T. J. Shanahan, assistant cashiers.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

GEORGE E. ALLEN TAKES OPTIMISTIC STAND

Spokane.—"Viewed from every angle and taking everything into consideration conditions throughout the country present a most promising outlook, and there is every reason to believe that as a nation we are upon the threshold of an era of activity and progress."

George E. Allen of New York, director of educational affairs of the American Institute of Banking, said this in an interview here. He added:

"Probably one of the best signs of returned prosperity is the \$600,000,000 bond issue announced by the Great Northern Railway Company. That will tend to have the best sort of an influence. It means something to the public, which actions of the big corporations have not meant in some time. It means that the railroad heads are cognizant that money is available and, naturally, they will take steps to bring it from under cover. The result is to be a strong investment market and good times."

"Wall Street manufactured profits on a half-inch of rain a couple of weeks ago. The members measure profits by the rainfall. The crop conditions are fine. This rain has quite entirely changed the outlook, and the fact that there is plenty of money available means that we have only to sweep away psychological fears to bring back complete confidence in business."

"When the new national reserve plan, the so-called Aldrich plan, is put into effect it will be by the people, and not by the bankers. That plan, or whatever plan is worked out, will be worked out on a basis of using farm products, wheat, corn, oats and cotton, principally, as security for the \$600,000,000, or whatever is needed annually to move these same crops."

"Bonds, stocks, minerals and that sort of thing will not be the basis of security. We are the only nation of any size which does not make farm products the basis of security for loans to move these valuable crops. We are bound to come to it."

"I do not think this next regular session of congress will pass that bill. The democrats, naturally, will have the chance to get in and remodel it so that they can take credit for it. Then, too, it will take a little time for the farmers, and the public at large to get acquainted with that bill, and the plan will become law just as soon as the common people want to. Let the people say that they want that bill and congress will pass it like a flash."

"The bankers have nothing to gain by that bill. They can make more money if they want to under the old system. The difficulty which the farmer experiences in moving his crops under the present system can be turned to exceeding profit by a banker if that banker really wants it. But under the proposed system they will not be able to do it. We will have this system just as soon as the people understand it. And then, instead of paying 8 per cent on money out here and 3 and 4 per cent in Wall Street, the rates in the different parts of the country will be more nearly equalized."

Thomas R. Preston

Thomas R. Preston, president of the Hamilton National, Chattanooga, represented President F. O. Watts of the A. B. A., on the North Carolina program at Lake Kanuga. He spoke on the American Bankers Association and paid a strong tribute to the National Reserve Association plan, which he fully explained. Concerning the A. B. A. he said in part:

What is now the American Bankers Association was organized at Saratoga Springs, N. Y., thirty-six years ago. The call for the convention was signed by seventeen prominent bankers, only two of whom are now living and actively engaged in the banking business, Geo. F. Baker, chairman of the board of the First National of New York City, and Col. Logan C. Murray, president of the American National at Louisville, Ky.

The necessity for such an organization was made manifest by the panic of 1873. There was in attendance at the first convention about three hundred leading bankers from all sections of the United States, and from this small beginning has emanated the greatest banking organization in the world, if not the most powerful organization of any class of business, the membership of which is now composed of approximately twelve thousand of the leading banks from every state in the Union.

This association has taken a leading part in solving some of our most important financial and industrial problems. So great has the work of the association become, that it has of necessity been divided into sections. The trust company section is devoted exclusively to the trust company business. The savings bank section exclusively to the welfare of savings banks, the clearing house section to matters pertaining to clearing house management, the American Institute of Banking section is devoted to the education and training of men for the banking business. There have been other subdivisions of the work of the association, one of the most beneficial of which has been the protective feature, which was undertaken eighteen years ago. The duty of this department is to arrest professional criminals of every character who prey upon the banks that are members. The association is in possession of the record and photograph of over six thousand professional crooks and forgers. Some of the information obtained has been of most unusual character. But a few months ago the record of a Russian Jew was obtained, which showed that he had joined the army nine times, deserted eight times, had been three times in the penitentiary for forgeries and other crimes, was then a fugitive from justice, and only thirty-eight years old.

Mr. Preston took up the sections and departments in detail and pleased his hearers very much by his fairness to all concerned in the upbuilding of the great A. B. A.

GROUP FIVE, INDIANA

The annual meeting of Group Five of the Indiana Bankers Association was held at the Hotel Lahr, Lafayette, Indiana, Thursday, June 15th. More than ninety bankers from over the district were in attendance. A delightful luncheon was served to the members of the group in the dining room of the Hotel Lahr at 1 P. M. After which a very interesting program was rendered. The reserve association plan for monetary legislation was ably and entertainingly discussed by Walter J. Ball of the Lafayette Loan and Trust Company. After Mr. Ball's talk a resolution was adopted favoring the plan. The secretary of the group was instructed to send a copy of the resolution to each congressman and senator from Indiana. One of the most interesting talks of the meeting was made by Prof. John H. Skinner of Purdue University. His subject was "Conservation of the Soil." Prof. Skinner treated his subject in a most pleasing and attractive manner and his talk was greatly enjoyed by every banker present. Prof. Skinner made it plain why bankers encourage the farmer to raise more products on the farm. Showing conclusively that this could be easily done and the deposits in our banks largely increased by a little attention to scientific methods of farming. Chas. L. Goodbar entertainingly discussed "Bank Advertising."

The officers elected for the following year for Group Five are as follows:

Chairman—Chas. L. Goodbar, Crawfordsville State Bank, Crawfordsville.

Secretary—Wm. Kirkpatrick, Corn Exchange State Bank, New Richmond.

Executive Committee—Walter J. Ball, Lafayette; W. P. Sidwell, Frankfort; J. S. Royse, Terre Haute; H. F. Bucklin, Brazil and T. Reid Ziegler, Attica.

J. L. Randel, Central National, Greencastle, was named for the nominating committee of the state association.

PITTSBURGH WINS DEBATE

One of the features of the program at the Pennsylvania Bankers Convention was a debate between the Pittsburgh Chapter, American Institute of Banking, and the Scranton Chapter on the subject:

"Resolved, That our banking system should be changed so as to increase co-operation among units, even to the cost of a lessened individualism."

The victorious affirmative was upheld by the Pittsburgh team, composed of Fred G. Lancaster, Keystone National Bank; D. H. Thomas, Commonwealth Trust Company; George H. Rankin, Central National Bank; S. M. Shelly, Bank of Pittsburgh; while the negative side was argued by John Benfield, First National Bank, Pittston; Charles S. Ross, Traders' National Bank, Scranton; John Greiner, Jr., Lackawanna Trust and Safe Deposit Company; George B. Dimmick, First National Bank, Scranton. The Pittsburgh bankers, by winning, retain the silver cup offered as a prize, for another year.

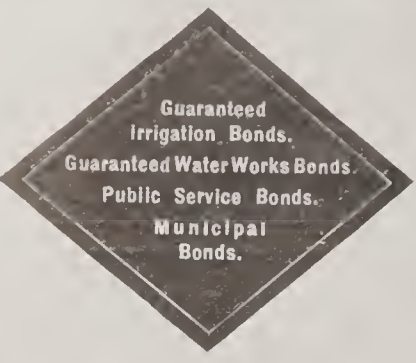
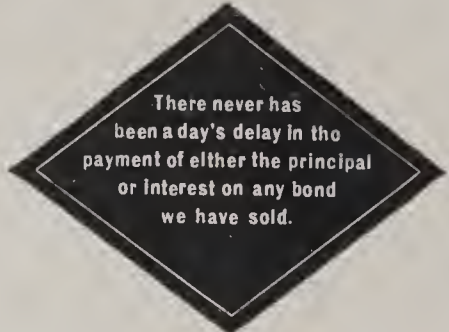
St. Louis.—Joseph S. Taussig, banker and broker, formerly member of firm of Taussig, Fisher and Company, New York, died recently.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Saturday, July 15, 1911, to stockholders of record at the close of business on Friday, June 30, 1911.

WM. R. DRIVER, Treasurer.

The First National Bank of Deport, Tex., has let the contract for a new brick building. It will cost in the neighborhood of \$25,000 and will be two stories in height.

	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS First National Bank Bldg., Phone Central 6400 PITTSBURGH CHICAGO PHILADELPHIA	
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Proposed Participation of Trust Companies

William C. Poillon, president of the Mercantile Trust, New York, addresses the New York bankers at the Manhattan Beach convention

There is no subject discussed by those interested in banking affairs in this country at present which compares in interest and importance with the movement to secure real currency reform. It would seem as if the discussion had now reached a point where the prediction is justified that the monetary legislation to be finally enacted will be based upon the plan of the National Monetary Commission. The ready acceptance of the general principles laid down in this plan by business men everywhere, as well as by many of the banking experts of this country and Europe, shows that the time is ripe for its enactment into law.

In view of the probability of action by congress at its next session in December, it is of vital importance to those interested in trust companies throughout the United States to consider their part in the plan as it stands at present. There is no doubt that, if it be found advisable to change the plan in any particular, the best time to do so is before the legislation is enacted, rather than to amend it subsequently.

In the plan submitted by the commission it is contemplated to establish a new class of national banks, which are to be "in effect national trust companies, to be designated by some appropriate name and to exercise all the functions and have all the privileges, including length of charter, which are given to trust companies by the laws of the various states." As a result of this provision, Mr. Aldrich was invited to address the trust companies of the United States at a dinner given by them for the express purpose of hearing more in detail his suggestion on this all-absorbing subject. He frankly stated that he had given comparatively little study to this feature of his plan, and would welcome the freest discussion from those interested in trust company affairs.

The dinner was given in New York City May fifth, nineteen hundred eleven, and was a representative gathering of officers and directors of trust companies and, in addition, bankers from all parts of the country. Senator Aldrich spoke to the subject of the "Relation of Trust Companies to Monetary Reform." After referring to the general features of the plan as applied to banking as a whole, he referred to the phenomenal growth and success of trust companies as compared with national or state banks, and assigned as the cause the much wider range of profitable business which they are authorized to transact, without the same restrictions as to the extent of their legal cash reserves against deposits. He placed himself firmly on record as to the utmost importance from a broad public standpoint, as well as for the safety and welfare of the banks themselves,

that there should be a complete unification in one comprehensive system of all our banking institutions; stating that, if co-operation is desirable for the 7,000 national banks, it is much more desirable that the 16,000 state banks and trust companies should be included in any plan for concerted action or joint responsibility. However, he stated that after most careful consideration of the subject of nationalizing state banks and trust companies he had reached the conclusion that, in view of the diverse interests involved, the obstacles in the way of nationalization are insuperable, and that our aim must be to accomplish the desired results with as little disarrangement as possible.

Accordingly, it was suggested that state banks and trust companies should be admitted to participate upon reasonable terms in the advantages and responsibilities of the proposed National Reserve Association, but that such membership must be upon the terms and conditions fixed by national legislation. Among these is the requirement for uniform, reasonable reserves against deposits. This and other requirements would render necessary co-operative legislation by all the various state legislatures; such, for instance, as, that the deposit balance of any bank or trust company in the reserve association, and the notes of the association, shall be counted as a part of its legal reserve.

As you are doubtless aware, the Currency Commission of the American Bankers Association unanimously approved the general principles of currency reform embodied in the plan and appointed a special committee of five bankers of national reputation to carefully consider the nationalizing of savings banks and trust companies, and to prepare a special report thereon. This committee reported definitely against the proposed nationalization, and in favor of the participation of existing state and savings banks and trust companies under their present charters and organizations, with certain reasonable provisions regarding capitalization, reserves, and examinations. This report was presented to the executive committee of the trust company section of the American Bankers Association at the executive council meeting in Nashville, Tennessee, last month, as this committee is the only organized body

solely representing the sentiments of the trust companies throughout the United States.

After a full discussion of the whole subject, it was

Resolved: That the executive committee of the trust company section of the American Bankers Association heartily approves the plan proposed for the organization of a National Reserve Association, and of the modifications thereto suggested by the special committee appointed by the Currency Commission of the American Bankers Association, at its meeting held in Washington, March 28, 1911, especially that portion of the report of the Special Commission defining the terms upon which trust companies may subscribe to capital stock of the National Reserve Association.

This approval, however, being subject to the following exceptions:

First—As to reserve required to be maintained by trust companies in central reserve cities, and reserves required to be maintained against trust funds not subject to immediate withdrawal.

Second—As to amount of paid-in capital to be required of trust companies, proposed in the report of the special committee.

Third—As to limitations upon character of notes that may be discounted by the National Reserve Association.

The special committee of five thereupon amended its report, so far as it related to trust companies, substantially along these lines, and the amended report has been made a part of the report which the executive council will submit, with its unanimous endorsement, to the American Bankers Association at the next annual convention, to be held in November at New Orleans. If the association approves of the plan as thus amended, there is good reason for assuming that the amendments to the plan will be favorably received by the National Monetary Commission, which is expected to report to congress in December.

Therefore, it is urgent that all who are interested in trust-company affairs should study this subject carefully from the broadest point of view, to the end that the statute, when finally enacted, should represent the best judgment of all who by study and experience are competent to express their views on this most important legislation.

CROP CONDITIONS EXCELLENT IN WESTERN CANADA

The Free Press has received 206 telegrams from crop correspondents. Summarized, they show that at present conditions in western Canada are the best in more than thirty years. There is an abundance of moisture.



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

The Railroad, Municipal and other bonds furnished by this institution to banks and bankers are selected by our Bond Department with the greatest care, soundness and remunerative returns being their chief characteristics. Correspondence invited.

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EDWARD P. BAILEY, Vice-President	HOUSTON JONES, Cashier	EDWARD J. PRESCOTT, Secretary
	JOHN C. ARMSTRONG, Assistant Secretary	

CAPITAL ONE MILLION DOLLARS



Safeguarding Commercial Paper

Kelsey S. Chase, Supt. of Banks of Minnesota, recommends a State Credit Department on strong paper

Bemidji, June 21.—State Superintendent of Banking, to-day reported to the bankers convention upon their resolution passed last year looking to the registration of commercial paper and the establishment of a state audit and credit department as a part of the department of banking. The paper was long and exhaustive, covering the subject in all its forms. Mr. Chase supported the idea very fully. He said in part:

The practice of testing credits once each year by requiring all outstanding notes to be paid out of the assets of the business is forgotten and should any creditor require payment of his notes, it simply amounts to a test of the ability of the borrower to borrow from some one else and not a test of the borrower's ability to pay. This practice of shifting debt has led us upon dangerous ground. The tendency increases the dangers of business and converts funds loaned for a few months' time into permanent capital, as the continued possession of the funds lulls the borrower into a feeling of confidence and safety.

The brokers are, however, not the only ones to blame for this condition; the bankers themselves are responsible to some extent. The banker who manages the small bank and has a surplus of funds on hand makes little effort, as a rule, to decide for himself the worth of any paper offered him. He usually asks the opinion of the note broker as to which are the best names and checks this up with the information received from his correspondent banker. It is rare indeed to find the small bank with even the crudest kind of a credit file. The best kind of safeguards that can be devised may be thrown around the issuance of commercial paper and it will not protect the banker, who will not make an effort to place information in his own possession so that he can intelligently use his own judgment. Whether you may agree with me in this or not, there can be no question as to the desirability of correcting some of the abuses and safe-guarding the issuance and sale of commercial paper.

How best to do this is a question in which we are all vitally interested, and it does not seem too much to expect that from the object lessons which a large number of Minnesota bankers have had brought home to them during the past few years and on account of the large amount of money lost by them in commercial paper during that time, we should evolve some plan that would place issues of commercial paper on a higher level so that the banker may feel secure with that class of investments for assets.

At the annual meeting of the Minnesota Bankers Association held at St. Paul a year ago, the following resolution was adopted:

"We commend the attitude of firms and corporations who sell their paper in the open market in furnishing independent audits of their business by responsible certified public accountants."

"And, whereas, we believe such independent audits are of great value, both to the borrower and lender,

"Therefore be it resolved, that we recommend this practice becoming general, and we further recommend that the affairs of all firms and corporations which are in any way identified with each other be audited by such accountants as of the same date."

Resolutions along the same lines have been adopted by associations in other states. The registration of commercial paper is only a step forward along the line of this resolution and is only a part of a proper and thorough audit of any firm or corporation offering commercial paper in the open market.

A generation ago a large proportion of the bankers of the country were opposing any publicity in regard to their financial condition, but they are now compelled to make a published statement so that the public from whom they are soliciting business may know the credit standing of the bank with which they contemplate entrusting their money. This publicity, although at one time resisted by the bankers, has redounded to their own benefit. In addition to this the banker must submit to an examination by a public officer representing the people.

This examination is primarily in the interest of the depositor and every banker believes it to be right. On the other hand, should not the firms and corporations who are soliciting loans from the banker be willing to make their true financial condition known to him and submit to an examination and audit carried on by someone acting in the interest of the banker as the public officer acts in the interest of the depositing public?

The committee on credit information representing the American Bankers Association reported adversely to maintaining a bureau of information covering the credit standing of all concerns whose promissory notes were offered to members. It would too seem hardly feasible for any state association to undertake to maintain a credit record of those firms and corporations offering paper to its members, nor does it seem advisable for the association to go so far as to employ accountants to carry on examinations of such concerns. The expense

would be far too great with the result that the smaller institutions would drop out of the association and depend for their credit information as they now do upon their correspondent banks.

Then too, inasmuch as it would be impossible at all times to be absolutely correct with the credit information, the association would lay itself liable to libel suits in case its attitude toward a concern was not favorable. Certainly such an attitude could not be kept secret and the association would be bound to bring upon itself unfavorable criticism from the public. It would not take long for the people to believe that the bankers were discriminating against a certain class of borrowers and that they had united contrary to the interests of the borrowing public.

It would be entirely practicable for the department of banking to take up this work. Further legislation and larger appropriations for the maintenance of the department would of course be necessary. It is questionable, however, if it would be desirable to place this responsibility upon the state department unless such examination and audit would be satisfactory to the national as well as the state bankers within the territory.

The auditing by accountants recommended by a bankers association composed of representative bankers with a membership of a large proportion of the bankers in the territory is, it seems to me, the practical method and the one from which we could get immediate results without waiting for legislation. It is reasonable to assume that only accountants of known ability would be recommended. The accountants would be under certain obligations to the bankers association to delve and look into the business of each concern with more care and more diligence. They would undoubtedly take more time in their examinations and before they left the books of a concern, would be satisfied beyond a doubt that there was no secret set of books for the officers' use and another presented to them for audit. They would be quasi accountants for the bankers and yet the bankers would not be responsible for their acts. In other words, with the power to withhold or withdraw the recommendations of the association, it would have a right to expect the best of service from the accountant firm in return.

The interior banks at the present time are loath to invest in commercial paper and it seems to me that it is of sufficient concern to the merchants and manufacturers of the larger cities to interest themselves in some scheme

(Continued on page 31)

The Security National Bank of Minneapolis will give your business the careful sort of attention that you are looking for—we have a capable organization, an efficient clerical force, and our aim is to give as perfect service as possible in every department

NORTHERN NATIONAL BANK

DULUTH, MINNESOTA

Capital - \$250,000.00
Surplus - 50,000.00



YOUR DULUTH BUSINESS

will be given the best of attention if sent to

THIS BANK

Try it!

NOW OCCUPYING MAIN FLOOR

New Alworth Building

Tallest Modern Fireproof Building
in Minnesota

'LOOK UP—YOU CAN'T MISS IT'

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Resolutions were adopted by the Minnesota Bankers Association in convention at Bemidji approving the work of the national monetary commission, and covering the appointment of a committee for concerted effort to get a law passed to permit national banks to handle farm mortgages.

The plan was discussed also for an interstate bankers' convention including the Dakotas, Minnesota, Iowa and Wisconsin.

J. B. Forgan

J. B. Forgan, president of the First National at Chicago, was entertained at luncheon while at the National Credit Men's convention in Minneapolis by officers and directors of the Northwestern National of which he was cashier in 1888. While here Vice-President Joseph Chapman, Jr., showed him in the files of the bank a document in the handwriting of the cashier, Mr. Forgan, which he called a revised list of duties. This Mr. Forgan took to Chicago to copy and then return to the files. The rules were made by Mr. Forgan when he became cashier to put the bank on a good working basis.

After the general rules is a list of eighteen employees by name indicating what each man must do to handle his individual work properly. The eighteenth man on the list, now vice-president, was Mr. Chapman. The rules prescribe that each clerk must be at his desk at 8 A. M. and must not leave until the cash book shows a clean balance. Hilarity and talking on other matters except business are prescribed. The rules were effective September 10, 1888.

Interesting Comparison

Position of the St. Paul banks compared with that of 1883, when the Northern Pacific, its first transcontinental road in the North was opened, has made an interesting study for the bankers of the capital. Six national banks now have capital and surplus of \$7,290,000 and deposits of \$38,000,000. In 1883 the local banks

all told had capital and surplus of \$5,570,000 and deposits of \$10,000,000. The capital exceeded by \$1,000,000 the combined capital and surplus of all banks outside the two large cities.

Deposits in the savings banks and savings departments of other banks amount to \$6,000,000, the State Savings alone has \$4,385,000, compared with \$4,250,000 three months ago. The amount on deposit with this bank is \$400,000 more than a year ago.

Part of the increase in savings accounts comes from the deposits of the national banks. Several banks the past year have enforced the rule that a balance of \$100 must be maintained.

Smaller depositors have been referred to the savings departments or savings banks and this has put many new savings depositors on the books.

Devises Means for Verifying Signatures

H. A. Willoughby, cashier of the First National at Minneapolis, has devised a means for business firms to verify signatures of customers on checks which they wish cashed, without incurring legal liability as having indorsed them. The firm simply hands the customer a card which reads that introduces Mr. Blank whose signature is given below and which the firms O K's on a line underneath. The customer goes to the bank with the check and the card, and the bank assumes responsibility for cashing the paper. The card is filed as a record.

Fine Arts Society

W. H. Dunwoody, president of the Northwestern National, is the first "benefactor" of the Minneapolis Fine Arts society. He has just been elected. Vice-President M. B. Koon is elected "patron," E. C. Cooke, president of the Minneapolis Trust Company; W. H. Lee, president of the Hennepin County Savings; F. A. Chamberlain, president of the Security National; F. M. Prince, president of the First National, "fellows for life."

Banking News Notes

C. H. Ross, Minneapolis, of Ross & Davidson, bankers, is dead. He began banking in 1867 at Rochester, Minn., was at Blue Earth and New Ulm in the banking business. In 1891 he became vice-president of the Flour City National in Minneapolis. Since it was absorbed he has been a country banker, with headquarters in Minneapolis.

E. A. Merrill, chairman of the board of directors of the Minnesota Loan & Trust Company, is at Yale to see his son graduate.

H. C. Hansen, cashier of the First National at Church's Ferry, N. D., at the Northwestern

CALIFORNIA

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Luxuriously appointed trains and the best of everything are yours when you use this route.

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The City National Bank OF DULUTH

Capital and Surplus, \$700,000.00

OFFICERS

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H. S. MACGREGOR, Assistant Cashier
W. I. PRINCE, Cashier

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AMERICAN EXCHANGE NATIONAL BANK

DULUTH, MINNESOTA

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Surplus (Earned) 1,000,000.00
Deposits - 7,332,413.75

OFFICERS

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CHESTER A. CONGDON, Vice-President
ISAAC S. MOORE, Assistant Cashier
WILLIAM G. HEGARDT, Cashier
COLIN THOMSON, 2nd Asst. Cashier

WE INVITE THE ACCOUNTS AND COLLECTIONS OF BANKS,
BANKERS, CORPORATIONS, FIRMS AND INDIVIDUALS

National, was optimistic about the North Dakota crop. "Pot holes" are well filled with water and there is enough moisture.

Several Twin City bankers attended the group conventions in Minnesota last week and this and the various neighboring state conventions, including the meeting at Mason City, Iowa. The attendance at the Minnesota state convention at Bemidji reached about 400.

W. F. McLane, cashier of the Hennepin County Savings, has returned from a mortgage inspection trip on which he found a line running west through Mankato, Minn., dividing the dry from the wet territory. Southwest of this line he found the small grain crop 50 per cent. Fortunately that part of Minnesota last year furnished the big crop and the farmers are able to stand any loss. The corn crop is fine, however, and the acreage is above normal.

Organization has been completed of the fourth judicial district bankers in North Dakota. At a meeting in Lisbon, State Senator W. L. Carter, Richland county, was elected president; H. S. Grover, Lisbon, vice-president; F. W. Vall, Millnor, secretary; G. T. Webb, Ellendale, treasurer.

The Commercial State of St. Paul has been commissioned to do business. The capital is \$25,000. Incorporators are J. H. Sullivan, L. F. Dow, H. F. Ware, St. Paul; W. E. Dickson, and M. E. Walsh, Stillwater; L. Redding, Lamberton; E. O. Hage, New Ulm.

A new bank is started at Bertha, Minn., capital \$10,000. Incorporators are J. G. Gebhart, Robert Olson, Fred Lehy, G. F. Freeman, E. A. Perkins, L. H. Bartemiller, M. G. Whitesall and W. Will, Bertha; E. W. Smith, Parker's Prairie.

"Let every one catch the big, fine spirit of the Northwest and take all of it he can home with him," wrote James G. Cannon, president of the First National, New York, to the credit men in session at Minneapolis. Mr. Cannon was formerly member of the national association.

BEMIDJI CONVENTION

(Continued from page 15)

cation, but no one will doubt now but that this association through its committee has done many good things and in many instances the bankers individually have stirred up interest in their local communities along lines of better farming.

This is as it should be, for while we may re-

solve along all lines immediately connected with our own business and talk shop almost all the time when we meet in a business way and also when we meet in convention, it is in keeping with growth that we plan for things outside ourselves, not because of a strained selfishness but because of, as President Vincent would put it, a laudable larger selfishness which is not selfishness alone for our immediate material wants but a selfishness which includes in the word self our friends, our neighbors, the community, the state, and, as we strive toward the larger vision, so shall we be worthy members of the Minnesota Bankers Association.

THE CITY NATIONAL OF DULUTH

W. I. Prince, cashier of the City National of Duluth, is one of the active members of the Minnesota Bankers Association and has held prominent positions in its service. Joseph Sellwood is president and A. H. Comstock, vice-president. The City National has a capital of half a million and deposits of three millions. It has been appointed a government depository and enjoys the confidence of bankers everywhere.



W. I. PRINCE
Cashier City National, Duluth, Minn.

BANK STOCK QUOTATIONS

Among the more active Chicago bank stocks quoted by John Burnham and Company, 29 South LaSalle Street, are the following:

	BID	ASK	Book Value
Austin State Bank.....	300		243
Calumet National.....	150		149
Central Trust Co.....	180	183	149
Chicago City Bank.....	195	201	154
Chicago Savings.....	137	140	122
Citizens Trust.....	165		124
City National (Evanston).....	300		230
Colonial Trust.....	195	200	179
Continental & Commercial.....	283	286	170
Corn Exchange National.....	423	425	290
Drexel State.....	154	158	121
Drovers Deposit National.....	220	228	174
Drovers Trust.....	185	190	170
Englewood State.....	135	137	126
Farwell Trust Co.....	111	113	116
First National.....	423	426	274
First National (Englewood).....	280		225
Fort Dearborn.....	204	206	143
Hibernian Banking.....	280	283	170
Home Bank & Trust Co.....	127	135	117
Illinois Trust.....	490	495	277
Kaspar State Bank.....	300		197
Kenwood Trust.....	154	157	131
Lake View Trust.....	141	143	125
La Salle Street National.....	100	101	126
Live Stock Exchange National....	245	248	144
Merchants Loan.....	425	429	309
Metropolitan Trust.....	126	131	133
Michigan Avenue Trust.....	140	145	130
Mid City Trust & Sav.....	178	182	112
Monroe National.....	130	134	122
National Bank Republic.....	199	201	166
National City.....	199	201	125
National Produce.....	146	148	136
North Avenue State.....	144	146	137
North Side State.....	150	175	169
Northern Trust Co.....	312	316	267
Northwest State.....	127	130	115
Northwestern Trust.....	180	190	139
Oak Park Trust.....	235	245	190
Peoples Stock Yards State.....	218	225	138
Peoples Trust and Savings.....	177	180	128
Prairie State.....	150	200	104
Pullman Trust.....	158	164	187
Security Bank.....	210	215	171
Sheridan Trust & Savings.....	113	115	113
South Side State.....	140	142	106
South Chicago Savings.....	150	155	147
Standard Trust.....	137	140	128
State Bank of Chicago.....	376	378	231
State Bank of Evanston.....	302	312	230
Stockmen's Trust.....	115	119	122
Stock Yards Savings.....	214	217	179
Union Bank (Chicago).....	145	150	125
Union Trust Co.....	305		202
Washington Park National.....	175		110
Wendell State Bank.....	110		127
Western Trust.....	151	153	116
West Side Trust.....	235		156
Wilmette Ex. State.....	130	135	108
Woodlawn Trust.....	179	184	135

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

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J. FURTH, Chairman Board of Directors

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Pacific Northwest Banking News

Spokane, June 20.—Substantial increases in deposits, loans and discounts, surplus and undivided profits and cash on hand are noted in statements by 16 banks in Spokane at the last call of the comptroller of the currency. Deposits amounting to \$29,431,980 were reported on June 7th as against \$27,888,370 on March 7th; the total loans were \$19,727,338, an increase of \$954,406; the increase in surplus was \$170,830, making a total of \$1,794,790, and the cash on hand was reported as \$10,481,083, as compared with \$10,049,802 on March 7th. Local bankers say there will be ample funds to handle the wheat crop, adding that the outlook was never better for active fall business. All lines of trade report increased orders, and, while business is not as brisk as it was a year ago, there is much money in circulation.

M. M. Cook, cashier of the National Bank of Commerce, said in making an analysis of the financial condition of Spokane:

"This report shows more than any other in years that the bankers of the country have taught the people to be prosperous and at the same time to be conservative and economical. The speculation craze has been killed for a time, anyway, and people are not borrowing to gratify every little whim.

"There is plenty of money for legitimate business and development work. If there has been what seems to be ultra conservatism among the bankers it was to get people to liquidate a little and find out just where they stood. Money has not been tight, there has been lots of it, but after a year of drawing in, as it were, to get a new tack the people have learned that booming for speculative purposes does not bring any permanent good.

Business Normal

James C. Cunningham, secretary-treasurer and manager of the Union Trust and Savings Bank of Spokane, who has just returned from an extended eastern trip, said in an interview that business is more nearly normal than it has been for some time. He also reported there is plenty of capital available in the East and that the bond market is in excellent condition. Mr. Cunningham quotes Frank A. Vanderlip, president of the National City Bank, as saying that conditions are what he terms "normal."

John G. Lewis

John G. Lewis, state treasurer of Washington, who handles between \$6,500,000 and \$7,000,000 a year, conducts his office at less expense to the tax payers than other state treasurer in the Union, according to a report by the state bureau of inspection and supervision of public offices, officials of which checked his department recently. Inspector F. Leghorn says the plan is carried out successfully by making the Capital National Bank of Olympia do most of the work. The treasurer does not cash warrants, and carries no money on hand in his office. All the warrants, which are registered when written, are sent to the bank to be cashed. Each morning the bank submits all warrants

cashied the previous day. The treasurer is protected by the surety bonds he has from the bank and in addition is saved from any trouble over forgeries. By not handling any cash an enormous amount of work in the office is saved and at the same time it is possible to keep an accurate check of the business.

Banking Miscellany

Life insurance companies paid policies totaling \$436,500 in Spokane and \$2,600,000 in the state of Washington, for 1910, according to a report just received from New York. Seattle headed the list with \$887,000 and Tacoma was third with \$231,000.

J. D. Miles, a banker at Miles City, Mont., said while here a few days ago that money is easy in eastern Montana, though the banks are more conservative than ever regarding the character of the collateral offered against loans.

H. A. Vanoven, president of the Beloit State Bank at Beloit, Wis., has bought 19 acres of apple orchard land in the Spokane valley for \$6,975. Eight other residents of Beloit invested \$33,000 in similar property and several will make their homes in the valley.

Directors of the Bank of Ralston, at Ralston, Wash., decided at a recent meeting to close the bank and liquidate its accounts through the German-American bank of Ritzville, Wash.

R. B. Walker, for two years treasurer of Benton county, Wash., has gone to Benge, to become cashier of a new bank.

F. A. Duncan, formerly a banker at Creston, Wash., has joined the Union Securities Company of Spokane.

J. P. McGoldrich, a director of the Old National Bank and head of the McGoldrick Lumber Company, who was a member of the board of governors of the National Lumber Manufacturers' association in Chicago, May 25th, said on returning to Spokane that the outlook for fall business never was brighter. "This," he added, "is especially true in the Northwestern states, where money now is easier than it has been in fourteen months."

Seattle

Carstens and Earles, Inc., investment bankers, have just received an order from Peru for some Seattle investments. Officers of the company state that of late a large number of inquiries for Seattle mortgages, bonds and other high-class investments have been received from foreign countries. The demand so far comes largely from Americans now residing abroad.

Mr. Spangler Speaks at Chehalis

Vice-President J. W. Spangler, of the Seattle National Bank, was one of the speakers at the meeting of the Southwest Washington Development Association held in Chehalis recently. Mr. Spangler chose for his text: "Behold how good and how pleasant it is for brethren to dwell together in unity," saying that he preferred that to the subject assigned to him: "Seattle's Attitude." Seattle, he said, had often been spoken for by men not truly representative of her. That applied to the legislative delegation. Mr. Spangler emphasized the desire of Seattle to help build up the outside districts, especially of Southwest Washington, and outlined plans already made for the work.

N. B. Coffman, of Coffman, Dobson and Company, bankers of Chehalis, and vice-president of the league, said in responding to the address of Mr. Spangler: "I cannot say enough in appreciation of Mr. Spangler's wise and temperate address. We felt that we were dealing with a man who knew and was entitled to speak for the city's business interests and as long as Seattle comes to us so represented cordiality will exist."

STATE BANK TO LIQUIDATE

The Bank of Troy, Troy, Ky., has gone into voluntary liquidation, and the Wilmore Deposit Bank, Wilmore, Ky., has been appointed liquidating agent.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

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W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

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Vice-President

J. G. ORCHARD
Cashier



P. C. PETERSON
Assistant Cashier

C. E. ESTES
Assistant Cashier

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Sec'y and Trust Officer

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Mgr. Farm Loan Dept.

H. G. P. DEANS,
Mgr. Foreign Dept.

Capital, Surplus and Undivided Profits
\$9,000,000

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Trust Company Growth

A. A. Jackson, of the Girard, Philadelphia, points out the reasons for the popularity of this new form of banking

One of the best papers read before the Pennsylvania bankers, at the Philadelphia convention, was by A. A. Jackson, well known in trust company section circles. He said in part:

To one who takes trust companies as his theme for speaking, it seems almost as difficult to produce original matter as if there were nothing new under the sun. Books have been written, articles published, speeches made covering almost every conceivable phase of the subject. A few days ago in a catalogue of publications upon financial matters I found listed any number of writings upon all branches of the business and life of the trust company, in fact all questions relating to trust companies themselves, their surroundings, the effect upon them of local conditions and their place in the country at large and in its different sections, seem to have been expounded so well that there is little left to say.

The executive committee of the trust company section of the American Bankers Association found this very definitely the case when from time to time it asked for letters from members in all parts of the country expressing their preference for subjects to be discussed at the annual meeting. Many and prompt as were the responses few of them suggested ideas that had not been heard already in former meetings, and the new matter was very rare. If for that committee with its wealth of offerings it was hard to choose sub-

jects for speaking upon, it has been the more difficult for me to gather ideas worthy of presentation to you since our president did me the honor to ask me to say something at this meeting about trust companies.



A. A. JACKSON
Vice-President Girard Trust Company, Philadelphia

Within the confines of Pennsylvania, where trust companies have existed longer than elsewhere, are now more corporations of this class than in any other state of the Union. Although in New York two companies still continuing honorable and successful careers were given trustees' powers prior to the delegation of those functions in 1836 to the Pennsylvania Company for insurance on lives and granting annuities and to the Girard Trust Company, nevertheless, the first named of these two Philadelphia companies still acts under the oldest charter of any such corporation in the United States, granted in 1812 when this commonwealth created the first of the long line of workers for the general good in this special field that has broadened as the years have passed, for the benefit, I submit, of the community and of their stockholders.

In 1899, before the convention of the American Bankers Association at Cleveland, Mr. Zug, the trust officer of the Commonwealth Trust Company of Philadelphia, delivered an instructive address on the "Trust Companies of Pennsylvania." At that time their resources aggregated a little over \$200,000,000, with trust funds of about \$400,000,000 more. The latest report to the banking commissioner of Pennsylvania from which figures have been compiled, made in November of last year, shows that these resources other than trust funds aggregate over \$685,000,000 and

(Continued on page 28)

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
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PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 235,000.00

An Up-to-date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous, conservative and successful banking

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KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

POSTAL BANKS FOR CHICAGO SUBURBS

Within a month Lake Forest and Winnetka will have postal savings banks running full blast. The two Chicago suburbs were among fifty towns and cities which were designated by Postmaster-General Hitchcock last week which will open to receive deposits on July 14th. The latest order makes a total of 700 postal savings banks established to date. Other nearby cities which were included in the order are Streator, Ill., and Crown Point and New Albany, Ind.

Postal savings banks will be established at Mt. Pleasant and Emmetsburg, July 3d.

Des Moines, June 22.—Des Moines bankers pronounce the state convention at Mason City last week as the best ever. The attendance was all that could be desired, the program was excellent and the social features were enjoyable in every way. There were no surprises when the election rolled around. E. J. Curtin, the live wire from Decorah, was chosen president without opposition William Heuer of Davenport, who was originally boosted for treasurer, was chosen vice-president. W. G. C. Bagley of Mason City was elected treasurer, and P. W. Hall of Sheldon was re-elected secretary.

The attendance at the programs was unusually large. This was due to the central location of the Willis Theatre where the programs were held. Automobile rides were always available and Mason City people were always ready to show off the advantages of the city. The party at Clear Lake on the closing day of the convention was highly enjoyable and was a social feature that will be long remembered.

Cedar Rapids secured the convention for next year. Des Moines was a receptive candidate. Simon Casady of the Central State in extending the bankers an invitation to Des Moines made it plain that the capital city always has the latch string out for members of the I. B. A. "Whenever you have no other place to which you care to go, come to Des Moines," he said.

The "Birthday Club," organized last year by G. E. MacKinnon, retiring vice-president and C. H. McNider of Mason City was much in evidence. The red buttons which Mr. MacKinnon secured were visible on every coat lapel. The organization bids fair to become more thriving with each passing year.

The new bank tax law passed by the last legislature was a much talked about proposition among bankers. J. G. Berryhill of Des Moines, in his address scored the law unmercifully. Later E. R. Moore of Cedar Rapids, one of the legislators, defended it. Resolutions instructing a test case were not acted upon favorably.

The sense of the convention was in favor of the Aldrich currency plan.

Secretary P. W. Hall reported fifty new members during the year so that the I. B. A. now has a membership of 1,450. The total attendance at the various group meetings was shown to be 1,590. Two bank robberies and five attempts were reported. The two robberies were the Farmers State at Garden City, December 1st with a loss of \$800 and the Bank of Dow City, December 29th with a loss of \$4,000. Fourteen arrests for forgeries have been made by detectives employed by the association within the past year.

Banking Change

Another important banking change is announced at Sioux City where John A. Magoun and B. H. Kingsbury have secured 75 per cent of the stock in the Northwestern National. This stock is that held by the estate of the late Abel Anderson. It gives Magoun and Kingsbury absolute control of the institution. The former will continue as president while Mr. Kingsbury has been made vice-president. The Northwestern National was organized in 1890 with Fred Evans as president. Abel Anderson was president for fifteen years but died shortly after the bank had completed its hand-

some bank structure in which it is now ensconced.

Death of David T. Denmead

David T. Denmead, president of the First National and the First Trust and Savings banks of Marshalltown, died very suddenly at Cincinnati, where he had gone to attend the funeral of George Kinney, formerly cashier of a Marshalltown bank. Mr. Denmead's death was due to heart failure. He had been suffering for some weeks and had confided to some of his friends a few days prior to his death that he had not long to live. He had been prominent in Marshalltown and central Iowa banking circles for years. His wife was with him when death occurred at the St. Nicholas hotel.

Request for Foreclosure of Mortgage Bonds

The Fidelity Trust Co. of Buffalo, N. Y., has filed in the federal courts in Des Moines a request for the foreclosure of mortgage bonds of \$80,000, issued by the Centerville Waterworks Co. The trust company also asks for a receiver. The plaintiff alleges that the bonds are past due and the company has not redeemed them. It asks that the defendant be ordered to appear in court in September and subject its affairs to examination.

Secure Bonds

A. B. Leach & Co. of Chicago was the successful bidder for the bonds of \$157,661 issued by the city of Des Moines last week in payment for the new Walnut St. bridge. The company pays for the bonds \$161,334, which includes a premium of \$3,673. Other bidders were Harris Trust and Savings, Chicago, \$3,115 premium; Iowa Investors Securities Co., Des Moines, \$3,051.90 premium; John Wheeler Construction Co., \$3,000 premium; Merrill Oldham Co., \$3,214.69 premium; Parsons, Son & Co., \$1,584 premium.

Gets both Wife and Promotion

James D. B. Lambertson of Davenport had the interesting experience of getting a wife and a promotion the same week. The day he announced his wedding, on Saturday, to Miss Clara Holtzhauer of Wilton, he received notification that he had been elected cashier of the Farmers Savings at Victor. He has been draft teller at the Iowa National at Davenport, and prior to that time was connected with the DeWitt Savings at DeWitt.

Refund of Taxes on Bank Stock

Ottumwa bankers have been securing a refund of taxes on bank stock according to the ruling of Judge F. M. Hunter, based upon a decision of the supreme court. The case was applicable to several cities in the state, but Des Moines was not affected because the tax had not been levied in this city. The decision involved a technical construction of the law.

Banking Notes

Ernest E. Hart, president of the First National at Council Bluffs, has taken over the bank at Malvern according to reports which have reached Des Moines. Mr. Hart is one of the best known bankers in Iowa, largely because of his activities as republican national committeeman and his prominence in western Iowa financial circles.

Ed Fellner, clerk of the clearing house at Davenport, has been doing a little investigat-

ing. He has discovered that deposits in the Davenport banks have increased \$4,158,111 or over 16 per cent in the past five years. Deposits are now \$25,958,884. The per capita wealth of the city, judged from the deposit standpoint, is \$603. Davenport claims that this showing makes her second richest city in the United States of its size, with Hartford, Conn., first.

The late P. M. Joice, the Lake Mills banker, whose death occurred while proceedings were pending in federal court relative to his alleged misapplication of funds, left life insurance of \$15,000 with his daughter Carma as beneficiary. A Des Moines insurance company last week paid the girl's mother, as guardian, the amount of the policy.

The First National at Dexter has been authorized to do business. The capital stock is \$25,000. F. F. Winchell is president; B. C. Hemphill, vice-president; M. F. Halmer, cashier; P. C. Monroe, assistant cashier.

Work has been started on the new building for the First National at Iowa City. The bank has been moved into new location while the new structure is being built. This is one of the oldest banks in Iowa and the first organized in Iowa City.

The Iowa State Savings at Tracy announces a new structure to be built this summer.

New postal banks have been ordered installed at LeMars, Onawa, Waverly, Fort Madison and Osage.

The contract has been let for a building for the Hubbard State at Hubbard to cost \$5,200, and for the bank at Jewell Junction, to cost \$8,568.

Three Mt. Pleasant capitalists, O. L. Van Syoc, J. T. Harrell and A. W. Palmer have purchased an interest in the Clarinda National.

Ralph Butler has been elected cashier of the Cylinder Savings at Cylinder.

The First National at Creston will make important alterations in its building this summer.

The Farmers State at Dyersville has let the contract for extensive remodeling and improvement of its building.

Out of city bankers seen in Des Moines recently included President William Mee of the First National of Gladbrook; President F. H. Starr of the Citizens of Milo; Cashier H. S. Taylor of the Woodward State; Cashier J. A. Mills, Farmers of Nevada; President J. H. Roberts, Farmers State of Boxholm; Vice-President J. S. Moon, Peoples National, Albia; President C. S. Allen, State of Laurens.

The Citizens is the name of a new institution at Little Cedar. The capital stock is \$103,000. J. H. DeBuhr is president; M. Van Deest is vice-president; Amos DeBuhr is cashier.

J. W. Bryant has been elected vice-president of the Cherokee County State at Meridian and Charles Bryant has been elected cashier, succeeding W. W. Andrews.

The Farmers Savings at Victor has increased its capital stock from \$25,000 to \$50,000.

The People's State at Bayard has filed articles with the secretary of state. The capital stock is \$15,000. J. W. Carush is president; O. O. Amanson is vice-president; W. H. Strauson is cashier.

The Postville State has filed amendments to its articles renewing its term of life for twenty years.

According to reports which have reached

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—but you can play her Columbia records on any Graphophone or "talking-machine"




This is the new Columbia Grafonola for \$50—"the Favorite"

"I ALWAYS said that never would I sing into a phonograph of any kind—but one does not always live up to everything one says—happily—for after months of tireless persuasion the Columbia Phonograph Company won out, and here I am saying, like everyone else that will hear them, that the Columbia Records are without a rival. They are so soft and musical, losing all that beastly metallic quality that mars the phonograph in general. My sincere compliments for their eternal success."

Mary Garden

Columbia Phonograph Co., Gen'l
Box 276, Tribune Building, New York
LONDON: EARLSFIELD, S. W.

Creators of the Talking-machine industry. Pioneers and leaders in the Talking-machine art. Owners of the fundamental patents. Largest manufacturers of Talking-machines in the world. Dealers wanted. Exclusive selling rights granted where we are not actively represented.

Des Moines the Citizens National at Storm Lake has absorbed the Citizens Bank. Capital \$75,000.

JOSEPH CHAPMAN AT OREGON

Speaking June 9th at the convention of the Oregon Bankers Association in Portland, Joseph Chapman, Jr., vice-president of the Northwestern National, Minneapolis, said:

"Senator Lafe Young of Iowa made the statement that the empire of Japan, with its 40,000,000 people, lives on less than the people of the United States throw out of their back doors every night. Some years ago even sleepy old England found out that the educational system of this country, as well as her own, would not do and a large percentage of clerks in the London banks were found to be foreigners. The average peasant of France is worth more than the average business man of the United States. The reason the United States cannot do business in South America is that it cannot compete with Germany. France and Germany are giving their children practical education to fit them to be self-supporting, while we train them to be educated loafers.

NEW BUILDING FOR INDIANAPOLIS

Jarvis Hunt, the Chicago architect, has prepared plans for the new structure to be erected on the site of the old Fletcher Bank buildings, Washington Street. The building will be 21 stories high—the highest in Indianapolis—will cost in the neighborhood of \$500,000, and will be erected by the Fletcher Realty Company. The officers of the company are Stoughton A. Fletcher, of the Fletcher American National Bank, president; Miss Hilda Fletcher, vice-president; Charles Latham, secretary-treasurer, and Louis F. Smith, general manager. The company was formed principally for the purpose of managing the Fletcher estate.

The new building will have a frontage of forty-three feet and a depth of 120 feet. It will be an ornament to the business district, as particular attention has been given to the planning of a beautiful architectural effect. The exterior of the building will be a combination of stone, tile and brick, and the ornamentation will extend on all four sides of the building, making it complete in appearance from any viewpoint.

The Audit Company of Illinois

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TRUST COMPANY GROWTH

(Continued from page 25)

trust funds themselves \$851,000,000. The growth therefore has been enormous, but legitimate, following the growth of the prosperity of the state and of its citizens. With its colleagues the national and state banks, the bankers and the savings funds, the trust company represents a place of accumulation and use for the moneys of the people and their corporations, and acting for them in ways that should not conflict with the business of these colleagues, it has a part in the life of the state that years since won recognition and is increasing daily.

The trust company should complement and not antagonize the bank. There should be no foundation for any disagreeable hint of jealousy between them—it is not apparent among the larger and broader institutions, and to be large an institution must be broad. With us the trust companies have their field; the banks have theirs, although both intimately joined. The trust companies as a rule, do not buy, nor can they under the law discount commercial paper. Their deposits ordinarily they give to the banks, with the exception of the money they keep for their required reserve and the transaction of cash business over their counters. All their great estate business that a bank of discount and deposit does not and cannot transact (I do not think it wants to) and all of this business produces money that may be said to be used in some degree in common by the trust companies and the banks. The fancied trespass on each others' domain I am prone to think exists for the most part in fancy only. If from time to time there seems to be an obstacle, a cumbersome method in the practice of business between the banks and the trust companies, attention is bent upon it with the desire to straighten out the tangle and establish a better method of procedure. Even if it takes time there results a bettering of conditions. At the present moment in this city we may find that by making haste slowly a solution will be reached of the problem of whether or not and how the trust companies at large shall enter the clearing house.

The powers from the legislature by the laws and special charters are broad enough to enable the companies to act in many fields, and, for the protection of their clients, the state

government by an efficient commissioner of banking, keeps a watchful eye upon their doings. At unheralded periods the examiners appear at one office or another and stay until their thorough work is finished. No part of the company escapes inspection, and if there be need of criticism it is forthcoming. Perhaps in none other of the states is the examination as complete as by the department in Pennsylvania. In some of them there is no state supervision whatever, to cure which loose condition the trust company section of the American Bankers Association is bending strong energies, some have a bureau to which reports are sent, but by which no physical inspection of the companies is made; and some an admirable and effective supervision of all branches of the business of the companies save only of that large and intricate division in which is administered the estates of decedents and the many trusts. Perhaps at present Pennsylvania stands alone in examining by her banking department the assets of this part of the trust companies' work with the same care that it devotes to the other divisions of their offices.

In addition to the examination by the state it is the prevailing custom, absolute with the companies that are more particularly in my knowledge, to have drastic and frequent audits and inspections made by accountants or agents retained by the boards of directors, careful presentation of business to the boards themselves, and in Philadelphia the Orphans' court sends to us its duly appointed examiners with particular inquiry into the affairs of the trust estates. Those, therefore, whose relations are with a trust company of Pennsylvania should have a comfortable knowledge of the frequency of inspection of all its parts, and, let us hope, of the adequacy of them, and the cestui que trust whose estate is in its care knows that all the assets of its trust department are kept scrupulously separate and distinct from those of the company itself.

The commonwealth should form a happy environment for the corporate execution of wills and administration trusts. No direct inheritance tax exists to charge the shares of estates passing to those who may need them when death has robbed the family of its caretaker and support; the collateral tax is fixed in rate and does not by graduated scale ascend to abnormal figures against bequests to legatees, even though they be removed from

the testator in the relationship, or be people or charities quite outside his family; the yearly contribution to the commonwealth upon assets subject to the personal property tax is under a sane law at a percentage apparently more just than those existing in some of our neighboring states whose citizens are tempted yearly to evade them.

The recognition becomes steadily clearer that the perpetual corporation, with its safeguarding capital and surplus, its efficient management and its machinery for discharging the duties devolving upon it, properly may take the place once occupied by the individual under wills and deeds of trust. The lawyer who often formerly held these offices still retains his intimacy with the business because he acts as counsel to the corporation administering an estate of a decedent whom he represented in his life time; the member of the family or the valued friend, to whom the testator was used to turn is still intimate in the matters of his estate, as by reason of his former close association with the dead he is consulted by the company upon details where his knowledge will be of benefit. The corporate executor and trustee strives to show its clients that their interests are taken care of by welcoming all aids from proper sources, and does not estrange them by any aloofness of complacent self-sufficiency. It tries to prove the fallacy of the charge of lack of soul, and to make evident that the members of the corporation, by whom it acts, are men of like nature, of like delicacy of feeling and of like perception with its beneficiaries.

To my mind, no matter the size of the company or estate, no trust is too small for consideration. Upon investigation, it is true, it may disclose qualities that render it impossible of acceptance, but by reason of these very collateral matters of which I have just spoken, and of one other, it should not be turned away without most careful thought. And that other reason is the moral responsibility to carry out the wishes of a decedent. Our companies are formed, inter alia, for the purpose of executing wills—we so announce—we say that a man's affairs will be safe in our hands after his death. If then, relying upon this profession, some testator without consulting us names us executor, and after his death we find before us for acceptance or for renunciation a small and perhaps difficult estate, does not our position, akin to that of a pub-

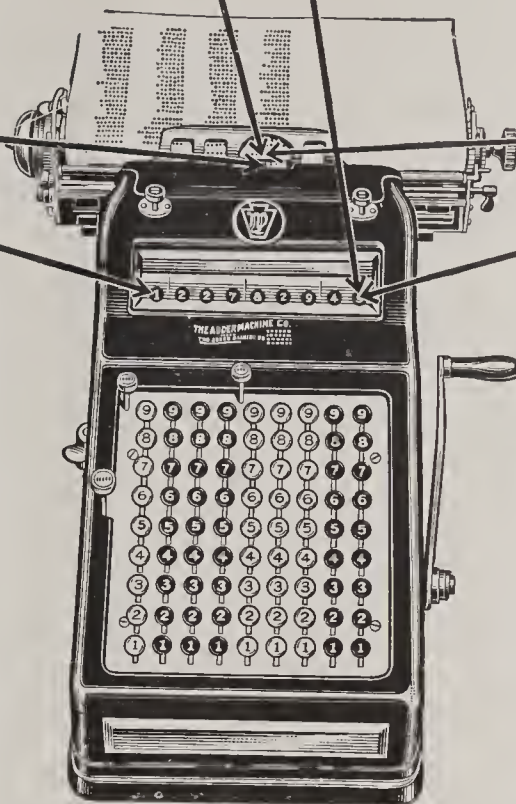
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An important decision was recently handed down by the Supreme Court sustaining the position of the Wilkes-Barre stockholders in protecting the WALES against "trust" acquisition.

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Wilkes-Barre, Pa.

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Wilkes-Barre, Pa.

Please send me booklet describing in detail the construction and features of the WALES Visible.

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CORRECTING errors on the WALES is done in the most natural and quickest way possible. If you press the wrong key, simply pressing the right one automatically corrects the error.

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lic servant, attach to us the moral duty not to refuse.

But to be in this position of preparedness the company must have a well fashioned organization, a staff whose members work together willingly, each one with the knowledge that his particular labor is for the general good, that he is an understudy for a higher place to which he may step at any time—and fortunate is the company whose practices, whose methods of discharge of duties, whose organization imbues its staff with the knowledge that they are part of a successful corporation whose success is coupled with integrity.

To be efficient in the varied functions that it may be called on to perform the company must be many handed, and each hand must be able. While it is acting as banker, as lender of moneys, as depository of securities and valuables in its vaults, as executor and trustee of the usual estates it may find itself an assignee to sell a business for the benefit of creditors, or a receiver to carry on large corporate enterprises in an endeavor to save them for their owners; by reason of control enjoyed by a decedent the company may be compelled to take his place in guiding the affairs of interest quite foreign to the usual field—for all contingencies it must be ready.

In a trust company, then, there is need of constant study to keep it ever fit to give proper service in the many positions where it may find itself, and to prove to its judges,—the clients, the customers, the courts, and the people—that it is worthy of call in each necessity.

In Pennsylvania the record shows a good account; few trust companies have gone wrong—perhaps here and there one has strayed after strange gods, has left the fold of conservatism, or has found itself not wanted

in a field already well supplied, perhaps the schemes of the pirate of finance have compassed the formation of ephemeral bodies for the purpose of being bought out by those whose legitimate business they are designed to menace. They flourish for a space and die, or they achieve their end,—let them go in peace—they cannot shake the strong rock on which stands the base of integrity that is the ground work of success.

But even if the failure of one of these unsuccessful ventures proves the rule of the stability of the vast majority, each unfortunate happening makes necessary the greater vigilance for the protection of the good name of the clan at large, and the safeguarding of the public, our clients and our cause of being. It is a great and ever increasing debt we owe to it, that public, the people, who as individuals deposit with us their moneys to use in our business, secure in their knowledge that they can have it at their call, who as corporations entrust us with their settlements, their issues of millions of dollars of bonds, their registration of stocks, knowing that purchasers of them so have confidence that propriety of method has been observed, that public, the people who when they near the end of this life, having amassed fortunes in great or less degree, are comfortable in their minds, I hope, that those fortunes will be administered as they would have them by an executor, by a trustee, whose existence here is not limited to the three score years and ten, whose faculties, instead of fail-

ing with the crown of age, grow keener, whose capacity for work increases with its magnitude, and whose many sided usefulness is part and parcel of the machinery that moves this country forward as a nation of the earth.

THE MARINE NATIONAL OF BUFFALO

One of the very strongest banks in the state of New York outside of New York City is the Marine National of Buffalo. It has a capital of two millions and a surplus of \$1,250,000. This strong capital gives it a standing and an influence in the western end of the state which is undoubted. The officers of the bank have been sturdy supporters of the New York association and have given good service in the American Bankers Association as well.

HAD GOOD TIME IN MICHIGAN

W. W. Gates, assistant cashier, Central Trust, who attended the Michigan Bankers Convention at Detroit, returned Saturday. Mr. Gates reports having had a most pleasant time in spite of the shipwreck in Lake Erie. He says they were transferred to a better and more commodious boat without excitement and the full details of the trip carried out. Mr. Gates reports a good attendance and a splendid program.

HIS HOUSE WAS HIS BANK

Because he had no confidence in banking institutions, Myer Daniels of Hoosick Falls, Rensselaer county, New York, lost \$4,700 in bills which were burned when his house was destroyed by fire. He nearly lost his life in futile efforts to save the money.

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For Sale—1. An outfit of mahogany and iron fish scale (two cages) fixtures and a burglar-proof Hall safe with Yale double time lock and combination inside case lock, outside measure 29x25 and 40 high. The First National Bank of Mattoon, Illinois. (Deposits One Million.)

2. A similar outfit of oak and iron fixtures (no cages) and a Hall combination fire and burglar-proof safe 36x36 and 46 high. The Mattoon National Bank of Mattoon, Illinois. (Deposits One-half Million.)

FOR SALE—Miscellaneous

5x7 Graphic, focal plane, Turner-Reich lens in Koilos shutter-case and six holders. Cost \$165. Little used and just like new \$90. Address, D-46 Chicago Banker.

For Sale. 5x7 latest model Graflex, 1 c. Tessar lens, magazine for 12 plates. Used a month. Cost \$166, sell for \$110. Address, D-722 Chicago Banker.

For Sale. 9 1/4 inch Goetz Dagor, Volule shutter. Value \$97.50 Sell for \$50.00, like new. Six inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723 Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

BAPTISM, REVOLVER, JAIL

E. P. Fair, a banker of Centertown, Ark., has been sentenced to jail for one year and assessed a \$500 fine for drawing a pistol on his brother-in-law, James H. Stroud. The trouble all resulted because of the difference of opinion on baptism held by the two brothers-in-law. Recently a baby boy arrived in the Stroud home. Fair, who is a Methodist, came around and wanted the baby sprinkled so its soul might be saved. Stroud said he was willing to take a chance on the saving proposition and refused to have the rite performed. A quarrel followed, also trial and sentence of a year.



Special Banking Services

THIS bank makes a specialty of handling inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment or circulation purposes. During the past twenty-nine years its officers and directors selected and purchased, after careful investigations, over *one thousand million dollars* of bonds, which have been sold to a constantly growing list of conservative clients. In buying bonds of this institution the investor secures the benefit of the extensive experience and trained judgment gained through the selection of this large amount of safe investment. The special character of our business permits of liberal interest terms on inactive or reserve accounts of banks, bankers, corporations, firms and individuals.

Harris Trust and Savings Bank

ORGANIZED AS N. W. HARRIS & CO. 1882. INCORPORATED 1907

CHICAGO

Temporary quarters, Marquette Building
Permanent quarters, when completed, New Harris Trust Building

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

A. A. JACKSON, Girard Trust, did do something fine in preparing his paper on trust companies for the Pennsylvania bankers. It will be found in full in this issue and is worth reading and preserving.

STILL they come! One letter from Iowa contained ten reservations for the Train de Luxe to New Orleans. Live bankers in the Iowa crowd.

PENNSYLVANIA lines from New York, Philadelphia, will operate two fine specials to the New Orleans convention. One will be "fast" and direct both ways through Atlanta. The other will make stops and side trips touching Asheville, Chattanooga, Chickamauga, and other view points. The trains will be the best and visitors from other cities who wish to return via New York can make reservations.

ROBERT E. JAMES, of Easton, and Joseph Wayne, Jr., of Philadelphia, were elected to the national council of the American Bankers' Association from Pennsylvania. Montgomery Evans, of Norristown, was elected national vice-president and Roland L. Taylor, of Philadelphia, to the national nominating committee.

SECRETARY W. C. MacFADDEN of North Dakota advises that "one of our members has just been indicted by the federal grand jury for handling drafts for liquor shipments with bills of lading attached. Members have been warned several times on this subject. Our attorney advises that the handling of such collections is illegal and that all such drafts should be promptly returned by members of the association."

E. J. CURTIN is now the big chief of the Iowa tribe, elected at Mason City, without opposition. He and a party of friends will make up a special car on the Train de Luxe to New Orleans. Iowa is going in strong force.

ARTHUR REYNOLDS was elected to the big council from Iowa which state enters him, tentatively, for the chairmanship at the next or subsequent meeting. Henry M. Carpenter's friends had put him in the race but on the idea of booming Reynolds, Mr. Carpenter withdrew and was the first to send in his congratulations. Iowa is very serious in the matter and feels that it is about her turn.

W. J. BURNS has been formally indicted for "kidnapping" the men who dynamited the Los Angeles Times building last fall while the bankers were en route to that city. Burns said then he'd "get them" and lots of other detective agencies we could name would like to be charged with doing such classy work.

KEEP your eye on Group Four. If she elects L. A. Goddard to the Illinois council it will be for a sign that the young progressives have girded their loins and buckled on their armor for a "clean-up" at Springfield. If you were at the preliminary skirmish at Cairo you about know what to expect.

FOR the big council, to be elected at Springfield, you hear of Lampert from the north and Crabtree from the south end of the state. Good men, both of them, and deserving.

VICKSBURG BOARD OF TRADE and the Vicksburg National Park Association have warmly invited the bankers to stop over long enough, on their way to or from New Orleans, to be taken through the Military Park. Illinois has spent over a quarter of a million on her share of the monuments. In some way the committee will undertake to decide the matter. If a stop is desirable on the

way home it will be made. If only part wish to stop the big train will be divided.

SEATTLE NATIONAL, Seattle, has issued a trade and crop bulletin, neatly bound, and covering the fruit raising and other crops of the Northwest. Bumper grain crops and 75 per cent fruit crops are promised.

SUPERINTENDENT GEORGE C. VAN TUYL, JR., of the state banking department, New York, is considering a plan to divide the state into examination districts, and to place in charge of each district an expert examiner, who will be held directly responsible for the results obtained in his territory.

IF the plan is adopted the state will be divided into four examination districts, the western district with headquarters at Buffalo, to include banking institutions of Western New York; a central district with headquarters at Syracuse; an eastern district at Albany; and a southern district, in charge of the chief examiner, with headquarters in the New York city office of the state banking department.

VAN TUYL says: "When a bank fails it stays closed. There will be no reorganization under another name, with the same stockholders and a few new directors, as has been the custom in the past. My idea is that a bank that has failed once should be wiped out of existence."

THIS doctrine has caused great surprise all over the state for many states "point with pride" to reclaimed and saved banks. We shall see!

IRVING NATIONAL EXCHANGE BANK, New York, shows \$31,000,000 deposits.

DELAWARE is the one state without a bankers association of any kind. Small and lonesome!

PROSPEROUS NORTHERN NATIONAL BANK

Big, imposing, modern bank buildings help business. J. W. Lyder, Jr., cashier of the Northern National, at Duluth, writes that "since moving into the new building with its modern quarters our deposits have more than doubled." The new building is one of the finest in Duluth and the Northern National one of the most active banks. J. L. Washburn is president, John G. Williams, vice-president and J. W. Lyder, Jr., cashier. Deposits are \$1,467,652.68. Modern safety deposit vaults are maintained and the bank has a fine collection business.



J. W. LYDER, Jr.
Cashier Northern National Bank, Duluth, Minn.

DELEGATES and visitors to state bankers conventions have a warm spot for Frank D. Brundage and his "red spot" daily papers. He buys up all the papers, puts a K. N. and K. red sticker, advertising travelers' checks, and puts them in the chairs, cars, convention hall and dining rooms at the hotels. Big hit.

IOWA bankers, at Mason City, just riddled the report of the resolutions committee. The association was against testing by litigation the validity of the recent bank taxation legislation and against placing national and state bank examiners under civil service rule. It was in favor of permanent currency legislation, but refused to indorse any specific plan.

GROUP TWO, Illinois, met at Peoria, Thursday, with a good program. There was a luncheon at Creve Coeur Club and a fine talk by D. R. Forgan of Chicago. A boat ride on Peoria lake took up the afternoon. President F. F. Blossom presided and Geo. W. Curtis welcomed the visitors. Secretary William C. White reported.

BYRON L. SMITH, Northern Trust, is in Norway and will spend three months in the northern latitudes. CASHIER.

SAFEGUARDING COMMERCIAL PAPER

(Continued from page 21)

which would win back the confidence of those banks. If this can be done by properly safeguarding the note issue of different concerns and properly auditing their accounts, the confidence of the country banker will be regained and the money which is a drug on the market in one locality may be employed in another locality where money is in demand, with both profit to the banker and to the merchant or manufacturer.

Steven E. Albeck

Steven E. Albeck, assistant cashier, National City Bank of New York, attended the Iowa convention and made a pleasant impression upon the correspondents of that great institution as well as other bankers. Mr. Albeck returned to Chicago with the Chicago bankers and left Sunday night for Minneapolis to attend the Minnesota convention.

GOVERNMENT SHY ON EXAMINERS

Comptroller Murray's attention having been attracted by comment upon the disproportionate number of state and national bank examiners, he has had a careful study made of the comparative resources of national and state banks in some representative states with a view to ascertaining whether the national service is actually scanty in comparison with that of the states. This investigation shows 447 state banks in New York (including 18 private) and 447 national banks. The government has only six examiners while the state has forty. The deposits of the state banks are over three billions, the national deposits just over one billion. It shows a six-to-one shortage in national bank examiners.

GROUP ONE, INDIANA

Bankers of Group One of the Indiana Bankers Association, held their annual meeting at the Anthony Hotel, in Fort Wayne, June 20th. President C. H. Worden, of the Indiana Bankers Association, spoke on "Our Association," and speakers on other topics included D. B. Johnson, of Mooresville; W. G. Edens, Chicago, and D. A. Wasmuth, of Roanoke.

Comanche, Okla., has voted \$15,000 bonds for a municipal light plant and waterworks extension. The bonds carried four to one.

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all the bother and worry of counting and picking up small coins.

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PRESS ONLY ONE KEY
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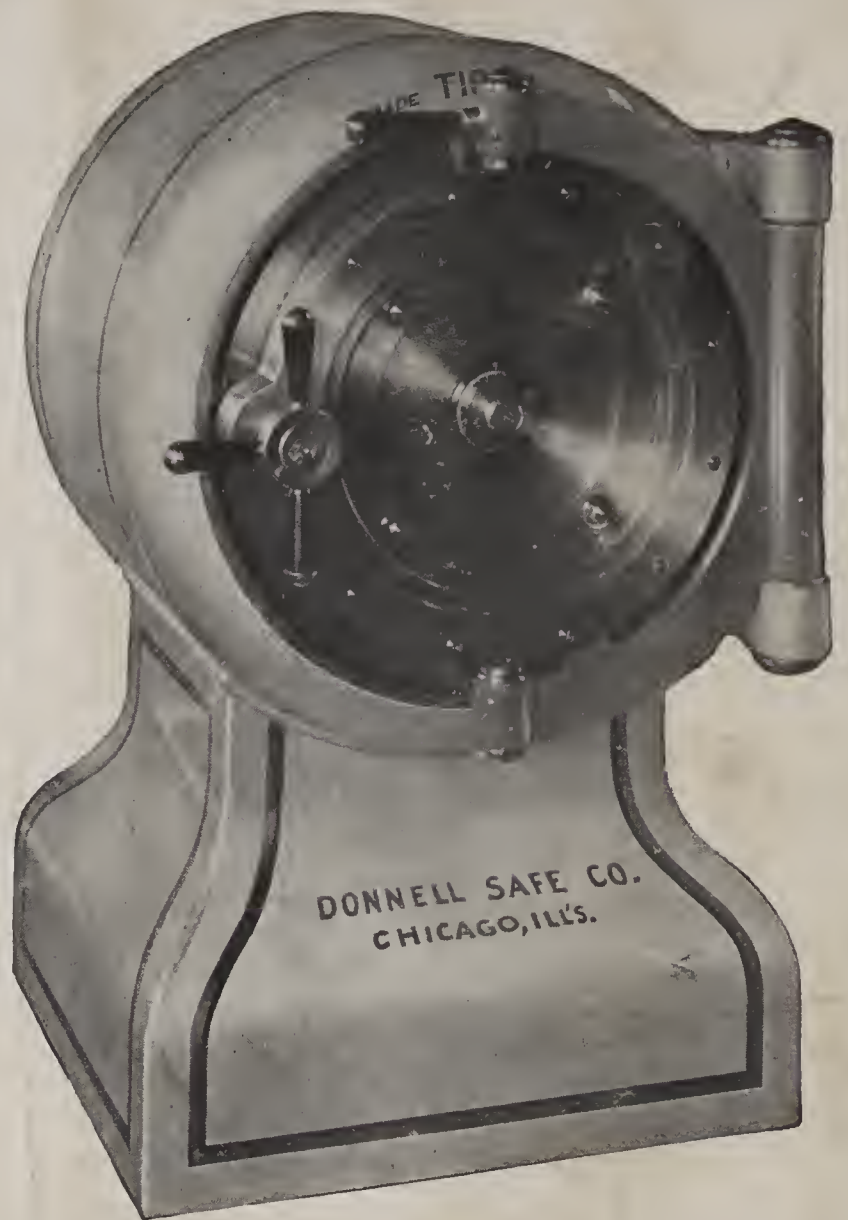
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
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W. T. PERKINS	- Assistant Cashier	WALKER G. McLAURY	- Assistant Cashier
W. D. DICKEY	- Assistant Cashier	R. U. LANSING	- Manager Bond Dept.
		M. K. BAKER	- Asst. Manager Bond Dept.

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General Western Agents for the York Safe & Lock Co., who have the best equipped safe factory in America. Their Manganese safes are superior to any in the market and we will furnish you with insurance for \$3.50 per thousand for three years. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal if not superior to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second hand deposit boxes that are modern and good as new.

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W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier

The Girard National Bank OF PHILADELPHIA

Capital, - - - \$2,000,000.00
Surplus and Profits, 4,450,000.00
Deposits, - - - 38,500,000.00

FRANCIS B. REEVES, President
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